TEXAS BUSINESS REVIEW

A Monthly Summary of Business and Economic Conditions in Texas

BUREAU OF BUSINESS RESEARCH : THE UNIVERSITY OF TEXAS

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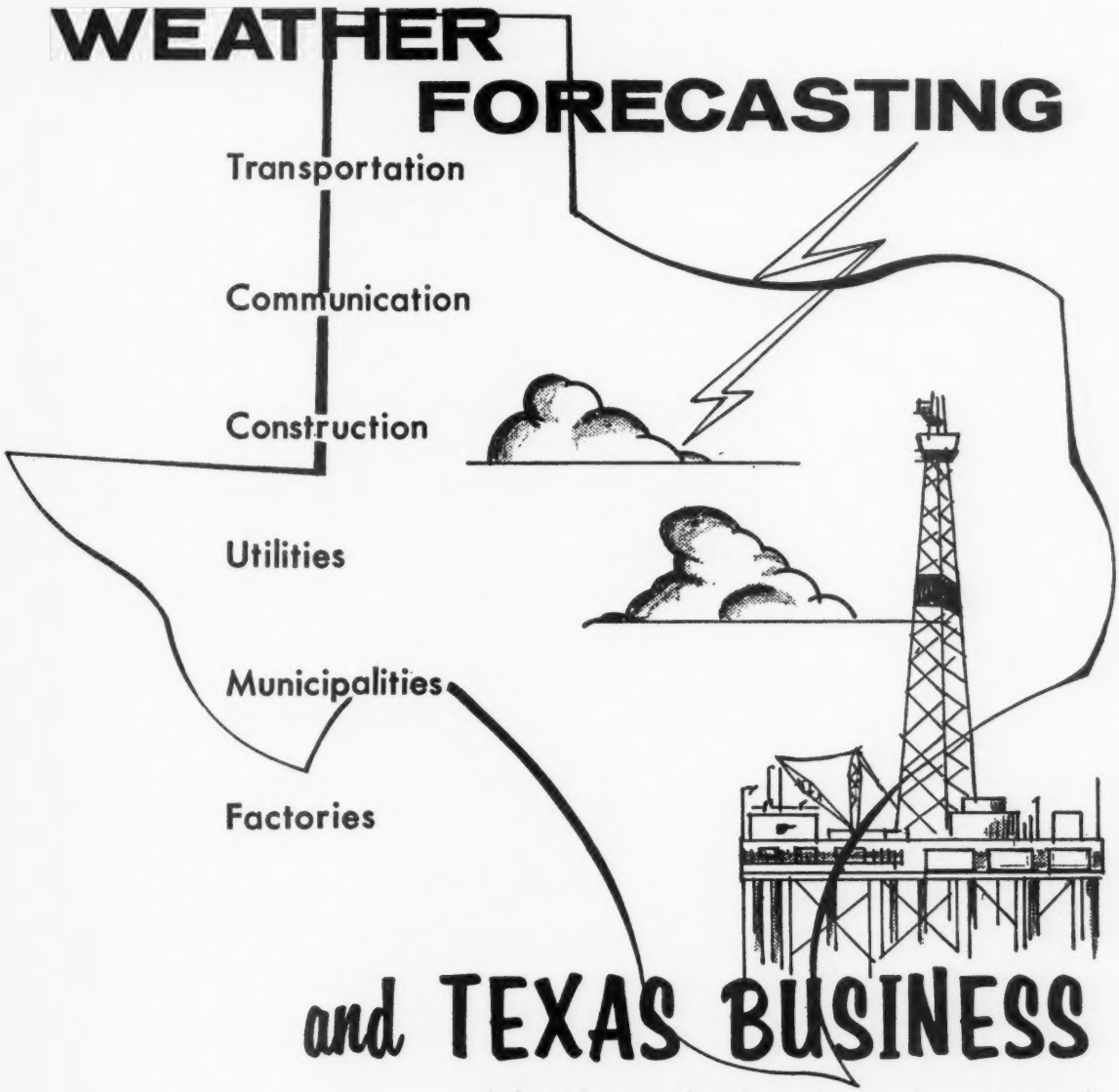


Industrial meteorology has arrived, and reports of probable weather conditions—tailored to the needs of particular business operations—are becoming a standard element in Texas business planning. See page 6.

The Business Situation in Texas

By FRANCIS B. MAY

The barometers of Texas business in May generally indicated continued fair weather. Exceptions were crude petroleum production, crude oil runs to stills, and electric power consumption. The over-all index of Texas business activity, which rose 6% in April over the March figure, gained an additional 3% in May over April. This index, which consists of bank debits in major Texas cities adjusted to compensate for gains due purely to price increases, measures the total volume of economic activity in these cities, including financial transactions as well as trade, manufacturing, and other types of activity. In May 1957, it stood at a level 3% above that of May 1956. Bank debits unadjusted for price change stood at a level 6% above May 1956. They were 3% above April 1957.

Miscellaneous freight carloadings reversed the downward course they have followed in recent months, gaining 5% in May from the April figure. This index, however, is still below the corresponding month of 1956. In April it was 15% below April 1956. The May improvement left the index 13% below May 1956. A 1% rise in carloadings for the third quarter has been forecast by the Southwest Shippers Advisory Board.

Ordinary life insurance sales gained 5% in May over April. They were 14% above the level of May 1956. The willingness of buyers to enter into long-term savings contracts by purchasing insurance indicates continued confidence in the future.

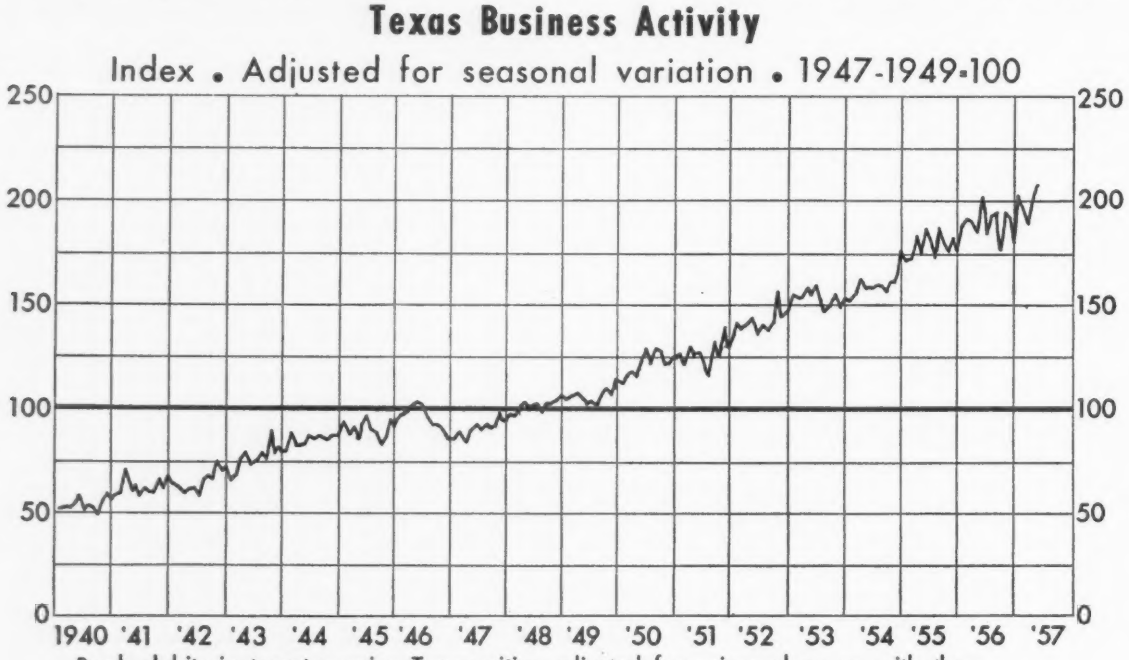
Consumer purchases, as reflected by total retail sales and adjusted for seasonal variations, showed continued gains over the preceding months. May sales were 5% above April —an increase which compares favorably with the 1% rise in May over April reported by the Department of Commerce for the nation. April sales were 1% above March. The May figure was 1% above the same month of 1956. This increase was in agreement with the continued upward cyclical course of consumer expenditures in the nation. Sales of durable goods rose 3% in May above the preceding month. They were 2% above May 1956. In April they were

SELECTED BAROMETERS OF TEXAS BUSINESS

(Adjusted for seasonal variation, 1947–49 = 100)

Index	May 1957	Apr 1957	May 1956	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
Texas business activity	208	201	201	+ 3	+ 3
Miscellaneous freight carloadings in S.W. district	83	79	95	+ 5	— 13
Crude petroleum production	142	145	130	— 2	+ 9
Crude oil runs to stills	146	155	156	— 6	— 6
Total electric power consumption	322	328	311	— 2	+ 4
Industrial electric power consumption	349	355	341	— 2	+ 2
Ordinary life insurance sales	341	325	300	+ 5	+ 14
Total retail sales	185	177	183r	+ 5	+ 1
Durable-goods sales	159	155	156r	+ 3	+ 2
Nondurable-goods sales	198	189	196r	+ 5	+ 1
Urban building permits issued	194	180	190	+ 8	+ 2
Residential	191	180	195	+ 6	— 2
Nonresidential	207	190	186	+ 9	+ 11

rRevised.



Bank debits in twenty major Texas cities adjusted for prices changes with the U.S. Wholesale Price Index.

6% above April 1956. Nondurable goods sales in May were 5% above the preceding month. In April they rose only 2% above March. This indicates an accelerated pace of nondurable goods sales. The May sales were 1% above May 1956 sales of nondurables.

With personal income for the nation reaching a new high of $340.4 billion on a seasonally adjusted annual basis, continued high-level spending is to be anticipated. This has been the pattern even during the 1953–1954 readjustment in the rate of business activity. The willingness of consumers to maintain consumption expenditures even in the face of a leveling off in the growth of Gross National Product has been a strong stabilizing factor in the economy. The pay raises granted in increasing numbers by oil companies in recent weeks should strengthen this business indicator.

Urban building permits issued continued to show strength. The total value of permits increased 8% in May over April. The May figure was 2% above May 1956. Residential permits advanced 6% in May over the preceding month. April was 18% above March. Nonresidential permits in May were 9% above April and 11% over May 1956. The rise in May followed a 7% rise in March. Nationally, nonfarm residential construction declined slightly from April to May. Total private construction for the nation advanced slightly from $32.7 to $32.9 billion on a seasonally adjusted annual basis for the April-May period. Privately financed nonfarm housing starts in May rose to 96,000 from 89,500 in April for the nation. This represented a seasonally adjusted annual rate of 990,000 for May compared with 940,000 for April.

Industrial electric power consumption declined 2% in May from the level of the preceding month. This is a reversal of direction since the April figure was 7% above March. Data supplied by the Edison Electric Institute indicate that electric power distributed in the nation during May declined to 11.3 billion kilowatt hours from 11.5 billion in April. Apparently the Texas decline was part of a nationwide pattern. Despite the reduction, the seasonally adjusted figure for May was 2% above the same month of last year in Texas. Data from the same source indicate that for the weeks ending June 8 and June 15 there were increases in electric power production for the country as a whole.

Total electric power consumption in Texas also showed a 2% decline in May from the April level. Since this figure includes household consumption of electricity, it undoubtedly reflects the influence of the unseasonably cool weather which prevailed over much of the state during the month. This reduced the consumption of power by air-conditioning equipment. The drop in May left total Texas electric power consumption 4% above the total for May 1956.

A decline in crude petroleum production from April to May of 2% on a seasonally adjusted basis was due partly to the continued readjustment from the high level reached as a result of the Suez crisis. However, there is a condition of oversupply existing at present which is due to more complex factors. A contributing cause has been a rash of refinery strikes, but imports seem to be the main cause.

Importers have informed the Texas Railroad Commission that they intend to bring in 1,466,528 barrels daily in June. This figure represents an increase of 53,961 barrels a day from a forecast made in May. July imports are expected to amount to 1,533,744 barrels a day, up 95,751 barrels a day from the forecast figure. August imports are anticipated to be 1,516,894 barrels a day, up 76,263. September imports of 1,499,353 barrels a day, up 101, and October imports of 1,540,711 are expected. The Railroad Commission has issued orders for a dramatic 390,449-barrel-a-day reduction in the July allowable production in Texas. This will allow a production rate of nearly 800,000 barrels a day below the record high level for the last week of March. The United States Bureau of Mines estimates that the total value of crude petroleum produced in this state was $3.16 billion in 1956. Texas has reached a critical point in the history of a multibillion dollar industry.

The condition of oversupply was further reflected in a reduction of 6% in crude oil runs to stills in May. This left the figure for the refinery input at a level 6% below May of 1956.

Total nonagricultural employment in May amounted to 2,459,700 workers, a seasonal increase of 3,300 over the 2,456,400 employed in April. Nationally, there was an increase of 13,000 in nonagricultural employment from April to May.

Durable goods employment rose from 241,300 in April to 242,200 in May. For the country as a whole, durable goods employment declined from 9.92 million in April to 9.87 million in May.

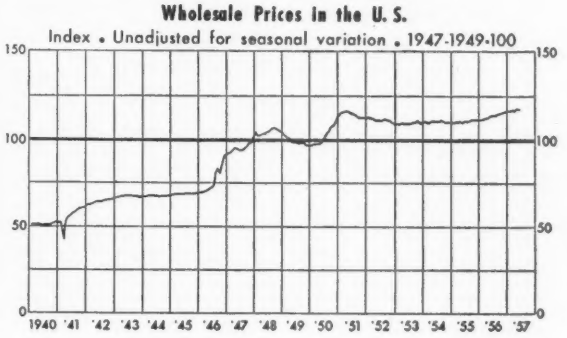
Nondurable goods employment rose slightly from 243,000 in April to 243,400 in May. In the nation nondurable goods employment dropped 61,000 from 6,890,000 in April to 6,829,000 in May.

Total nonagricultural unemployment for 17 important labor market areas in the state dropped from 76,800 in April to 73,800 in May. The percentage of the total nonagricultural labor force unemployed in these 17 areas dropped from 4.1 in April to 4.0 in May. Unemployment in the civilian labor force of the nation held steady at 4% of the labor force from April to May.

The index of construction authorized advanced from 180 in April to 194 in May, a rise of 7.7%. This was a continuation of the upward movement which pushed the index in April to a position 8.4% above the March figure. Residential building authorized rose from 180 in April to 191 in May, a 6.1% rise added to the 17.6% rise from March to April. Nonresidential construction authorized in May rose 8.9% above April. This was in addition to a 6.7% rise from March to April.

Farm cash income in Texas rose 7.8% from April to May after registering no change between March and April. This rise was due in part to an improvement in farm prices, which were at a level of 268% of the 1909–1914 base period in May compared with 264% in April. Farm prices improved steadily during the March-May period.

Wholesale Prices in the U. S.



TEXAS BUSINESS REVIEW

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Retail Trade:

INDEX REACHES NEW HIGH

By TINA PIEDRAHITA

With 2,654 retailers reporting in May, total retail sales in Texas bettered April by 7% but rose only 1% from May of last year (the national gain showed a 1% increase over last month and a 4% increase over May 1956). Continuing their climb, sales of durable goods were 10% above April 1957, 2% over May 1956, and 3% better than the January–May period of 1956. Sales of nondurable goods were 2% ahead of January-May 1956 but were below the January–April 1957 period when sales showed a 5% increase over January–April 1956. This decrease reflects the drop in the sales of department and apparel stores during the month of May.

The index (185) of total retail sales in Texas (based on 1947–1949=100 and adjusted for seasonal variation) reached an all-time high in May, topping the average month of 1956 (164) and the highest earlier monthly index of February 1957 (182). The nondurable goods index (198) was above the average month for 1956 (174). Deflated for price changes, the index of all retail sales stood at 185.

All retailers except shoe stores (—12%), other apparel stores (—11%), and women's ready-to-wear stores (—1%) averaged increases ranging from 36% to 2% over April. A good showing was made by farm implement dealers (+36%), and furniture stores (+25%) reported the highest increase for this year in that line of business. Office, store, and school supply dealers and country general stores were each 14% ahead of April; department stores (+11%), hardware stores and lumber and building material dealers (each +10%), and food stores (+7%) also posted gains over April. Lines averaging best gains over May 1956 were office, store, and school supply dealers (+22%); food stores, groceries without meats (+7%); country general stores (+6%); and motor vehicle dealers (+5%). In contrast to the gain over May 1956, family clothing stores dropped 11%, jewelry stores 8%, and farm implement dealers 7%. Highest gains for January-May 1957 over January-May 1956 were reported by unclassified apparel stores (+10%); food stores, groceries without meats (+6%); motor vehicle dealers and food stores, groceries with meats (each +5%); and liquor stores and office, store, and school supply dealers (each +4%).

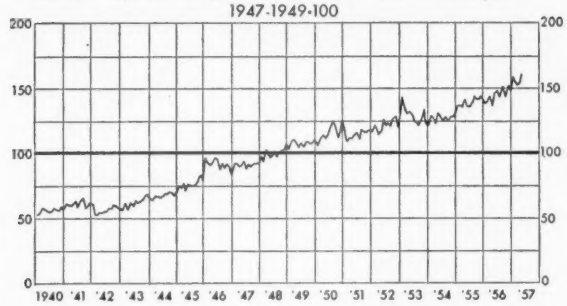
A total of 290 Texas department and apparel stores averaged a 5% over-all sales increase above April. However, sales were 3% below May 1956, and 1957 five-month cumulative sales remained 1% below the comparable 1956 period. Twelve of the 31 cities reporting were ahead of April 1957, 11 topped May 1956, and 16 bettered the first five months of 1956. In the May-to-May comparison, largest percent increases were reported by Austin (+8%), Greenville (+6%), Amarillo (+4%),

ESTIMATES OF TOTAL RETAIL SALES
(Unadjusted for seasonal variation)

Type of store	May 1957	Jan-May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956	Percent change: Jan-May 1957 Jan-May 1956
	Thousands of dollars				
TOTAL	987.0	4,540.7	+ 7	+ 1	+ 2
Durable goods	298.5	1,388.2	+ 10	+ 2	+ 3
Nondurable goods	688.5	3,152.5	+ 5	+ 1	+ 2

Retail Sales in Texas

Index • Adjusted for price changes and seasonal variation • 1947-1949=100



and El Paso, Galveston, and Port Arthur (each +3%). Sales were ahead of January–May 1956 in Lubbock (+10%), Plainview (+8%), Marshall (+7%), and Amarillo, Austin, Brownwood, Galveston, and Victoria (each +3%).

Of the 31 cities reporting individually by kind of business, 26 bettered April 1957, 14 topped May 1956, and 16 were ahead of the January–May period of last year. Leaders over April were Bryan (+21%), Gilmer (+18%), Paris (+15%), Texarkana, Waco, and Wichita Falls (each +13%), Abilene and Edna (each +11%), El Paso (+10%), Brownsville and Temple (each +9%), Austin, Henderson, Houston, and San Antonio (each +8%), and Big Spring and Dallas (each +7%). Best in the May-to-May comparison were Amarillo (+14%), Brownsville (+13%), El Paso (+9%), and Abilene (+8%). Comparing January–May 1957 with January–May 1956, the leading cities were Plainview (+17%), Corpus Christi and El Paso (each +11%), Port Arthur (+9%), Beaumont (+8%), and Brownsville (+7%).

By type of business, sales of apparel stores increased from May 1956 in Austin (+20%), El Paso (+13%), and Houston (+10%) but dropped in Bryan and Texarkana (each —11%), Abilene (—10%), and Lubbock and Temple (each —8%). Automotive sales were up in Amarillo (+31%), Bryan (+28%), El Paso (+24%), Plainview (+18%), and Austin (+17%) but decreased in McAllen (—34%), Lubbock (—18%), Wichita Falls (—14%), and Greenville and Paris (each —9%). Drug store sales increased in Amarillo and Houston (each +6%) and San Antonio (+5%) but were down in Big Spring (—13%) and Dallas and Fort Worth (each —3%). Eating and drinking places were up 40% in Port Arthur and 10% in Dallas but fell 16% in San Antonio and 5% in Fort Worth.

The ratio of credit sales to net sales in 64 Texas department and apparel stores reporting in May stood at 66.6%, slightly higher than the April ratio (66.2%) but still below March (69.4%—the highest ratio reported this year) and May 1956 (67.2%). Previous yearly ratios for May were: 1956, 66.9%; 1955, 62.8%; 1954, 64.4%. Dallas (70.1%), Houston (67.8%), and Fort Worth (67.0%) showed the highest ratios for the month. By type of store, dry goods and apparel stores (77.0%) and men's clothing stores (71.1%) were the leaders. The average collection ratio for May (37.1%) has slightly improved over the low ratio for April (35.3%) and is above the ratio (36.4%) for the same month last year.

Advertising linage in 21 Texas newspapers averaged a 10% increase over April 1957 and a 3% increase over May 1956. Although 17 newspapers topped April, only nine showed an improvement over the same month of last year. Of the 113 cities reporting postal receipts for May, 28 bettered April 1957, and 71 bettered May of last year.

RETAIL SALES TRENDS BY KINDS OF BUSINESS

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Groups	Number of reporting establishments	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
DURABLE GOODS			
Automotive stores	317	+ 7	+ 5
Furniture and household appliance stores	168	+ 24	— 3
Lumber, building material, and hardware stores	327	+ 11	— 5
NONDURABLE GOODS			
Apparel stores	218	— 1	— 5
Drug stores	161	+ 5	+ 2
Eating and drinking places	79	+ 5	+ 3
Food stores	240	+ 7	+ 4
Gasoline and service stations	737	+ 2	+ 3
General merchandise stores	199	+ 9	— 2
Other retail stores	208	+ 6	— 1

POSTAL RECEIPTS

City	Dollars: Apr 6 1957–May 3 1957	Dollars: Mar 9 1957–Apr 5 1957	Dollars: Apr 7 1956–May 4 1956	Percent change: Apr 6 '57 May 3 '57 from Mar 9 '57 Apr 5 '57	Percent change: Apr 6 '57 May 3 '57 from Apr 7 '56 May 4 '56
Alice	9,994	11,980	9,721	— 17	+ 3
Bay City	7,337	10,753	8,225	— 32	— 11
Brady	3,386	3,592	3,033	— 6	+ 12
Brownfield	6,774	5,821	5,478	+ 16	+ 24
Cameron	6,857	8,806	7,832	— 22	— 12
Cleburne	9,179	9,810	9,359	— 6	— 2
Coleman	5,506	4,467	4,017	+ 23	+ 37
Crystal City	1,942	3,297	2,334	— 41	— 17
Cuero	3,925	4,279	3,915	— 8	**
Eagle Pass	4,396	5,285	4,243	— 17	+ 4
Edna	3,364	3,279	2,932	+ 3	+ 15
El Campo	6,147	7,740	6,779	— 21	— 9
Gilmer	3,031	4,121	3,260	— 26	— 7
Graham	5,917	6,894	5,284	— 14	+ 12
Granbury	3,412	3,220	3,050	+ 6	+ 12
Hale Center	1,241	1,357	1,078	— 9	+ 15
Hillsboro	4,553	4,962	4,293	— 8	+ 6
Huntsville	6,073	7,269	7,789	— 16	— 22
Jacksonville	14,308	12,906	12,586	+ 11	+ 14
Kenedy	2,592	3,326	2,834	— 22	— 9
Kermit	4,791	6,101	4,030	— 21	+ 19
Kerrville	8,105	9,306	7,010	— 13	+ 16
Kingsville	10,593	10,989	8,605	— 4	+ 23
Kirbyville	2,167	7,664	3,018	— 72	— 28
La Grange	3,226	4,257	3,360	— 24	— 4
Lamesa	7,711	7,799	6,651	— 1	+ 16
Levelland	5,257	6,140	5,406	— 14	— 3
Littlefield	4,664	4,630	7,422	+ 1	— 37
Luling	2,642	2,789	2,608	— 5	+ 1
McCamey	2,262	9,059	3,008	— 75	— 25
Marlin	5,393	4,933	5,062	+ 9	+ 6
Mission	6,436	7,203	.....	— 11	.....
Nacogdoches	11,525	10,829	9,186	+ 6	+ 25
Navasota	3,948	4,351	3,622	— 9	+ 9
Odessa	49,443	47,518	43,096	+ 4	+ 15
Pecos	7,550	8,519	7,101	— 11	+ 6
Pittsburg	2,603	2,718	2,509	— 4	+ 4
Raymondville	3,945	4,731	4,288	— 17	— 8
Sweetwater	17,224	11,960	15,980	+ 44	+ 8
Taft	2,023	1,276	2,044	+ 59	— 1
Terrell	5,401	5,341	4,865	+ 1	+ 11
Waxahachie	9,094	8,555	8,177	+ 6	+ 11
Yoakum	8,912	8,130	7,017	+ 10	+ 27

**Change is less than one-half of one percent.

and Texas Business

WEATHER FORECASTING

By JAMES H. KEAHEY

Early in January of this year an industrial meteorologist busied himself feeding climate data for the East Coast into a Univac computer. The machine hummed esoterically and shortly came up with three equations to fit the date January 21, 1957. From these equations the meteorologist made a prediction that the day (a Monday) would "mark a one-day break in the storm which will hit the city over the week end."

The weather behaved as predicted. As a result, President Eisenhower's second inauguration went off smoothly —even to the extent that as the President mounted the reviewing dais, the sun broke through for the first time that day.

This striking example of accurate, pinpointed weather prediction illustrates a new type of forecast that is entering more and more into the calculations of Texas businessmen. Weather forecasts are in a sense analogous to the more orthodox types of economic forecasts, in that both allow a business organization to anticipate future demands for its services and to plan operations in the light of probable circumstances. Climatic influences may be more transient than economic factors, but relating predicted weather to current business activities can be of major importance.

Everyone has a stake in the weather, and there are few businesses which could not make significant economies through the use of timely forecasts. This is particularly true in Texas, where weather is legendary for its extremes and rapid changes. Businesses operating in this land of meteorological caprice can get information on the weather from two sources: the U. S. Weather Bureau and private meteorologists (either by buying the services of a consultant or by setting up their own company meteorological division).

For all but the last 12 years of its 83-year history, the U. S. Weather Bureau has been the sole source of general weather information. From nearly 6,000 locations throughout the nation, the Bureau receives daily reports on temperature, humidity, precipitation, and barometric pressure. It channels this data to the public through its various publications. As the demand has grown for information beyond its regular reports, the Bureau has enlarged its services. Today, businesses (such as airlines) to whom advance knowledge of weather conditions is of major importance can purchase teletypes and map facsimile machines tied into the Civil Aeronautics Authority's nationwide network. For those who do not need such up-to-the-minute figures, the Bureau provides several types of services:

Thirty-day forecasts, published the first and fifteenth of each month, consisting of maps which predict the future weather of the United States in broad strokes of departure from normal conditions of temperature and precipitation.

Five-day forecasts, out three times a week—on Sunday, Tuesday, and Thursday—covering regions of several states and somewhat more definite than the thirty-day outlook.

Twenty-four-hour forecasts, carried regularly by the press, radio, and television. In many cities this information may be obtained by dialing a telephone number and listening to a Bureau record.

The National Weather Records Center in Asheville, North Carolina, is another major source of weather information for business. Organized in 1952 in an attempt to bring together the widely scattered weather records of the different branches of the government, it is probably the largest repository of weather information in the world. The Weather Bureau, Air Weather Service, and Navy aerology divisions all combine operations in gathering and recording data. Upon request the Center will supply climatological studies for companies with special weather problems. General information is available for every county in the United States, and the Center tabulates and analyzes its records at cost. For information on Texas, businessmen can write to the State Climatologist, Municipal Airport, Austin.

Private meteorologists are a new phenomenon. They have entered the field in large numbers only since the end of World War II. During the war weather forecasters were indispensable in all military operations, and with the end of the war numerous service-trained meteorologists were discharged into civilian life. Most returned to their prewar jobs, but some ventured into private forecasting. Since that time the growth of college meteorology departments has further enlarged the number of meteorologists in the country. Today, the professional directory of the American Meteorological Society lists 26 industrial meteorology organizations.

Forecasters give two main reasons for this growth: incentive and specialization. Unlike the Weather Bureau, the private forecaster has a special incentive to satisfy the particular needs of his client. His services are on the market, and his predictions and warnings of severe weather must be satisfactory or clients turn to his competitors. But specialization is really the heart of the matter.

The working tools of the private meteorologist are the records, forecasts, teletype reports, and facsimile maps of the Weather Bureau. This information is available to the public generally, but to a businessman it means little in terms of how to conduct his organization. To help solve his particular problems, he needs a tailor-made report. Although the Bureau makes long-range predictions for industry through its Extended Forecast Service, it does not have the time or the staff to give the individualized service that is needed. Private forecasting firms have grown up principally to fill this vacuum. Their reports seldom mention expected temperatures, winds, or waves because the relation between the weather and the particular industry's operation has already been worked out. Rather, the forecaster telegraphs to his client: "Yes, you can move that

barge from Beaumont to Rig No. 6 during the next two days."

A third way businesses keep informed on the weather is by establishing their own company meteorology departments. Organizations such as airlines and large utilities, which have a broad enough base and a sufficiently large stake in the weather, find this the most profitable method. Other firms also follow this route—the Du Pont Company, for instance, has had staff meteorologists since 1943 advising on new plant locations and problems of air pollution. In recent years the department has branched out to give storm warnings to Du Pont plants and to forecast weather for company construction projects.

The possible applications of specialized forecasts are almost endless, but the industries which use them most fall into two general categories: outside industries, and inside industries whose operations or products are geared to the weather. Numerous examples of both types are readily apparent in the economy of Texas.

OUTSIDE INDUSTRIES

This group forms the most obvious market for forecasts. Transportation companies—airlines, railroads, trucks, buses, ships—all depend on the weather. The communications industry, with its outside lines and equipment, must have advance warning of severe conditions. Utilities need to adjust their loads to meet demands caused by weather changes and to anticipate periods of increased or decreased consumption. Municipalities comprise another group of steady forecast users. For instance, it costs the city of Boston about $125,000 just to alert contractors for snow clearance and to have them standing by, even if they never go into action. So the city retains a forecasting firm for constant advice on anticipated storms.

The construction industry is another important user of weather forecasts. In order to plan major projects, builders need to know if the construction season in a given place will be short or long, wet or dry, mild or severe. A concrete contractor may purchase a month's forecast to determine the most favorable time to pour a large quantity of concrete, since techniques of pouring and finishing vary considerably under different rainfall and humidity conditions. Day-to-day forecasts determine current operations: Will it rain tomorrow into new foundations or on exposed lumber? Will wind conditions permit roofing?

The economic consequences to builders of ignoring probable weather conditions are often devastating. Contractors in Central Texas lost thousands of dollars by gearing their activities to the idle hope that this spring's unseasonably wet weather would soon end. An industrial meteorologist could have advised them that this was improbable, and construction operations could have been revised accordingly.

In Texas, one type of outdoor industry is particularly linked with the weather—offshore oil drilling. Construction, supplying, and daily operations all need to be scheduled to fit the weather. Gulf hurricanes form the greatest hazard to the offshore oil operator. During these violent storms, waves get up to 50 feet and wind gusts hit 125 miles per hour, while the sea level rises 5 to 15 feet. Since most offshore oil drilling activities require considerable advance preparation, warnings of strong winds and high waves can save much time and money—and human life as well. Sufficient warning of Hurricane Audrey in June allowed the evacuation of drillers on offshore rigs and the general revision of planned offshore operations.

Sports, outside amusements, and the tourist industry are also at the mercy of the elements. More than one Texas League team would appreciate a breather from the doubleheaders that have been caused by rained-out games earlier this spring. Forecasters could not provide relief of that nature, but they could give sports promoters, drive-in operators, and amusement park owners the advance warning necessary to plan a coming season or a coming event so as to take advantage of fair weather. Tourists and conventioneers could avoid rained-out vacations, and at the same time resorts could anticipate demand by planning with one eye on a meteorologist's report. For example, a study of records for Philadelphia revealed to one group planning a convention there last year that May 9 had been fair for the past 14 years. On the other hand, on March 13, the alternate date the organization was considering, it had rained heavily five times and snowed once in the same period. Of course the convention was set for the May date. With the tourist industry growing rapidly in Texas (see March 1957 *Texas Business Review*), information of this kind could be very helpful to local chambers of commerce in attracting vacationers.

One giant Texas industry to which reliable, detailed weather information is especially important is the aircraft manufacturing industry. The cluster of companies in the Dallas-Fort Worth complex (Chance Vought Aircraft, Incorporated; Convair; Bell Aircraft Corporation; Temco Aircraft Corporation) all require specific, day-to-day weather information to carry on their outside testing activities. These aircraft companies, in common with the great number of Air Force bases around the state (see June 1957 *Texas Business Review*), were attracted here partly by relatively ideal flying conditions, but the meteorologist still has an exceptionally important place in planning their operations.

INSIDE INDUSTRIES

Although industries in this category are not conducted out of doors, many nonetheless are geared to the weather and can use forecasts to great advantage. The Texas brewing industry, for example, could make long-range production and distribution plans, as could the state's booming air-conditioning manufacturers. Advance notice of the cool, rainy weather this spring could have saved Texas petroleum and natural-gas companies money—the former by allowing for decreased gasoline usage, the latter by anticipating increased consumption. And Texas creameries could have foreseen the drop in demand for ice cream. Manufacturers of weather-oriented goods of all sorts—garden tools, antifreeze, insecticides, and others—have to cope with a market that can be predicted only with the aid of the meteorologist.

Retailers also need to take the weather into account. The sales division of General Electric Company uses forecasts to decide where to concentrate its advertising campaigns, as does the sales department of the Jantzen swim suit company. Local merchants want to know when to advertise too, as well as whether to hold hot weather items a little longer for the torrid spell ahead or to begin stocking mittens and snow chains. Large bakeries in the East depend on forecasts to reduce their leftovers, as do the A & P and Safeway grocery chains. Department stores have found that even

a slight amount of rain between 8 and 11 o'clock in the morning will shift buying from downtown to their suburban stores.

Prevention of air pollution is another important use of forecasts by inside industries. This problem was highlighted several years ago by the Donora, Pennsylvania, catastrophe, in which fumes from a zinc plant formed a deadly smog that suffocated several persons and overcame hundreds of others. Network comedians have done their share to publicize the smog that harasses Los Angeles. By operating only when wind and other weather conditions are right, smoke-making industries can avoid much of this problem. Texas plants with pollution difficulties could do much to improve their public relations by using forecasts.

The heavy industry along the Gulf Coast is probably the most fertile field for applied meteorology in the state. Here, the same hurricanes and severe weather that endanger offshore oil operations disrupt operations at inland refineries and chemical plants. In these continuous-process industries, shutdowns normally must begin at least 12 hours before the start of severe weather, and yet unnecessary delays and layoffs are very costly. To help provide adequate warning, the Dow Chemical Company at Freeport installed its own powerful radar unit soon after its two plants were built in 1948. A year later, when a sizable hurricane struck the area, Dow had ample warning to allow it to effect an orderly shutdown. The job was carried out at only a fraction of the cost that would have been entailed by an emergency shutdown in the midst of a storm. But the real payoff came on three other occasions (1949, 1950, and 1953) when hurricane warnings had been posted in the Freeport area, but radar surveillance convinced Dow that its plants would not be affected. None of the storms came closer than 100 miles, and Dow saved thousands of dollars in shutdown costs and lost production.

Still, many persons question the reliability of weather forecasts. Are they really accurate enough to be the basis of industry's decisions? Thomas F. Malone, director of the Weather Research Center of The Travelers Insurance Company, sums up the problem this way: "Weather prediction is one of the most difficult scientific problems of our time, for two reasons: first, an incomplete understanding of the weather-producing processes in an almost incredibly complex atmosphere; second, insufficient observations by which current weather conditions and trends in those conditions can be studied."

But the meteorologists are constantly improving their statistical methods and refining their theories on the weather. Recent advances, such as the use of electronic computers to give rapid solutions to equations representing atmospheric circulation processes, hold much potential. A few years ago, working out such equations was largely an academic matter, because the weather that was being "forecasted" would have already occurred by the time meteorologists using calculators could have done the mathematics involved. With these new tools helping them produce more accurate predictions tailored to their clients' needs, industrial meteorologists are promising to make their forecasts a common report to Texas business and industrial managements.

Industrial Production:

TEXAS SYNTHETIC RUBBER: 1957

By STANLEY A. ARBINGAST

Approximately 50% of new rubber manufactured in the nation each year is produced at six plants operating in Texas. When a seventh plant, now under construction, is completed, Texas will account for an even larger proportion of national output. Most of the Texas plants were built with federal funds during World War II; now all are privately owned and operated, and each of them has been expanded substantially during recent years.

MANUFACTURERS OF SYNTHETIC RUBBER IN TEXAS

Name	City
Goodrich-Gulf Chemicals Corporation	Port Neches
Goodyear Synthetic Rubber Corporation	Houston
Humble Oil and Refining Company	Baytown
Phillips Chemical Company	Borger
Texas-U.S. Chemical Company	Port Neches
United Rubber and Chemical Company	Baytown
General Tire and Rubber Company (under construction)	Odessa

The state took an early lead in the manufacture of synthetic elastomers (the term *elastomer*, which describes any rubber-like substance, is more accurate than synthetic rubber although it is not so frequently used) because Texas could supply most of the major raw materials from within its own borders. These raw materials include: petroleum, from which benzol and ethylene can be extracted; natural gas, the major source of the carbon black used as a reinforcing agent; by-product gases of the refining process, which yield butylenes and other chemicals; sulfur for use in vulcanizing; and, lastly, salt, clays, and lime, all of which have important uses in rubber synthesis.

Two types of rubber are manufactured here—GR-S and GR-I. The latter, commonly called butyl rubber, is a combination of isobutene (98%) and isoprene (2%) and is used primarily for inner tubes. The plant operated by Humble Oil and Refining Company at Baytown is the only one manufacturing GR-I in Texas and is one of two in the nation (the other is at Baton Rouge). Butyl rubber plants are most economically located in areas where refineries are located; Humble obtains its raw materials from the fractionation of refining gases resulting from the cracking of petroleum.

TEXAS STYRENE PLANTS

Name	City
Cosden Petroleum Corporation	Big Spring
Dow Chemical Company	Freeport
Monsanto Chemical Company	Texas City
Odessa Styrene Company (under construction)	Odessa

TEXAS BUTADIENE PLANTS

Name	City
Carbide and Carbon Chemicals Company (two plants)	Texas City and Seadrift
Firestone Tire and Rubber Company	Orange
Humble Oil and Refining Company	Baytown
Neches Butane Products Company	Port Neches
Odessa Butadiene Company	Odessa
Petro-Tex Chemical Corporation	Houston
Phillips Chemical Company	Borger
Texas Butadiene and Chemical Company	Houston

ELECTRIC POWER CONSUMPTION

Use	Thousands of kilowatt hours			Percent change	
	May 1957	Apr 1957*	May 1956†	May 1957 from Apr 1957	May 1957 from May 1956
TOTAL	3,187,476	3,116,511	3,078,617	+ 2	+ 4
Commercial	405,435	359,078	382,927	+ 13	+ 6
Industrial	2,176,379	2,138,317	2,131,113	+ 2	+ 2
Residential	519,411	534,264	449,285	— 3	+ 16
Other	86,252	84,852	115,292	+ 2	— 25

*Preliminary—based on reports of 10 electric power companies reported to the Bureau of Business Research and leveled to Federal Power Commission preliminary data.

†Revised to preliminary Federal Power Commission data.

GR-S rubber is a copolymer (a chemical combination of two or more different monomers) of butadiene and styrene. The output of rubber of this type in Texas is very large and is used extensively in the production of automobile and truck tires. General Tire and Rubber Company's Waco plant is a major consumer in the Southwest.

An expansion program for GR-S recently completed and of general interest was the $10-million expenditure at Goodyear Tire and Rubber Company's Houston plant. Capacity of the plant was increased to 220,000 long tons per year under the program. Two more reactor lines, three stripping columns, added storage capacity for butadiene and styrene, new materials preparation and final processing buildings, and an additional 37,000 square feet of storage space were constructed. Instrumentation and control procedures were also improved. Eight different types of rubbers are produced at Houston to supply Goodyear plants and other manufacturers and processors in the rubber industry. The Houston plant was originally built with government funds in 1943 and is now the largest single producer of dry-type synthetic rubber in the world.

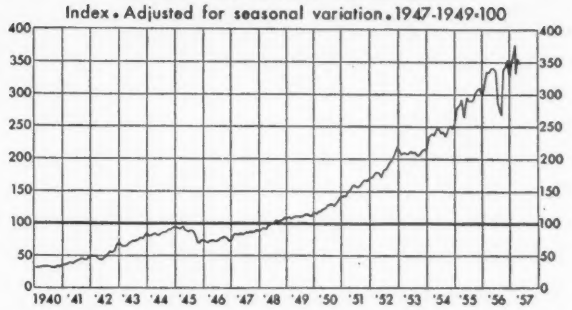
Of special interest is a synthetic rubber complex still under construction at Odessa in West Texas. The copolymer plant will be owned and operated by the General Tire and Rubber Company; the styrene plant will be operated by the Odessa Styrene Company of which El Paso National Gas Products Company and United Carbon Company are the joint owners; and Odessa Butadiene Company, owned jointly by El Paso Natural Gas Products Company, Odessa Natural Gasoline Company, and United Carbon Company, will manufacture butadiene. Original investment in these three plants will total over $40 million. Observers believe that investment may reach well over $100 million when additions are built in the future.

Expansion of copolymer plants has meant that productive capacity for butadiene and styrene has had to be expanded, too. Two new Texas butadiene plants went on stream early in June—Texas Butadiene and Chemical Company's $30-million plant at Houston and Firestone Tire and Rubber Company's 40-thousand-ton plant at Orange which supplies company synthetic rubber plants at Lake Charles and Akron.

Texas Butadiene and Chemical's new plant was designed to produce 2.5 million barrels of high octane gasoline for the aviation industry and 64,800 tons of butadiene per year. When market demands dictate, however, plant output can be restricted to 86,000 tons of butadiene per year. Underground storage facilities for L.P.G. feedstocks are located in a salt dome 14 miles distant. An integrated pipeline system connects the plant with the storage facilities and with a nearby water transportation terminal. Officials of the

Industrial Electric Power Use in Texas

Index • Adjusted for seasonal variation • 1947-1949-100



firm anticipate that an enlargement program for the plant will be under way in less than five years.

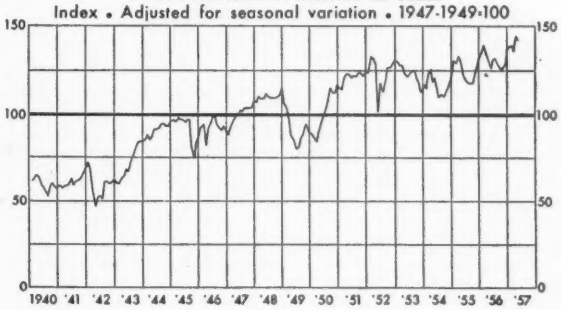
Expansions of butadiene capacity recently have been completed or are being constructed by Petro-Tex Chemical Corporation (jointly operated by Food Machinery and Chemical Corporation and Tennessee Gas Transmission Company) at Houston—a 50% increase; by Phillips Chemical Company at Borger—an additional 25,000 tons; and by Neches Butane Products Company (jointly owned by Texas-U.S. Chemical Company and Goodrich-Gulf Chemicals Corporation) at Port Neches—about 100,000 tons added capacity. Estimated capacity of the previously mentioned Odessa Butadiene Company's plant is 50,000 tons. A major portion of the Petro-Tex output is purchased for use at the Goodyear copolymer plant located on adjacent property.

Styrene capacity has been expanded, too. However, the rubber industry requires only about one-fourth as much styrene as butadiene. Dow Chemical Company and Monsanto Chemical Company have both increased output. The Cosden Petroleum Corporation plant at Big Spring only recently was put on stream. Projected capacity of Odessa Styrene Company's plant is 35 million pounds per year. Firestone Tire and Rubber Company had announced plans to construct a 75,000-ton plant adjacent to its butadiene manufacturing installation at Orange, but this project has been dropped for the present.

Demand for rubber is increasing so rapidly that greatly expanded output from Texas plants already in operation and others still to be built can be expected. Total U. S. rubber consumption in 1957 may reach 1.5 million tons—most of it synthetic. An additional two or three hundred thousand tons may be needed by 1960. Per capita consumption in foreign countries undoubtedly will grow faster than in the United States, and much of the foreign market probably will be supplied from Texas plants.

Crude Petroleum Production in Texas

Index • Adjusted for seasonal variation • 1947-1949-100



Agriculture:

DELAYED, BUT NOT RAINED OUT

By JAMES H. KEAHEY

"From Drouth to Deluge," last month's report on the Texas agriculture situation, surveyed state rainfall thus far this year. (The table below brings statistics from that article forward through May.) In general, the wet, cool spring has delayed crop planting but provided lush forage for livestock. Conditions have been ripe for weeds, insects, and plant diseases, but the extent of damage will not be clear until later in the summer. Fields too wet to work and washed-out plantings also have caused concern. But there is an over-all spirit of optimism in Texas agriculture this year—worries about fleahoppers reducing the yield are not nearly so serious as worries about no crop at all for lack of germinating moisture. During the first five months of this year, nine of the twelve crop-reporting districts had already received as much as or more rain than in all of 1956. And throughout the state, Weather Bureau stations averaged 18.13 inches for January-May, which was 2.52 inches over the average total for last year (15.61 inches).

What have been the effects of this downpour on Texas agriculture? Here is a crop-by-crop summary of conditions in the Lone Star State at the end of one of the wettest springs on record:

Livestock. To this segment of the state's agricultural economy, the spring rains have been an almost unmixed blessing. Late last fall, 222 of Texas' 254 counties were classified as "drouth disaster zones" in the federal livestock aid program. Cattle were being fed throughout the state as pasture conditions reached all-time lows. Experts felt that even if rain were to come, the barren ranges would take a long time to recover. But they were wrong. As the rains that began in January continued during the following months, rescue grass and clovers appeared as if by magic to turn the fields to green. Supposedly dead roots soaked in the moisture and produced rank forage for hungry cattle. Weeds gave some trouble, but grasses came on steadily to crowd them out. The eastern half of the state recovered most rapidly, but steady improvement was also made in the hard-hit western areas (with the exception of the region west of the Pecos). By June 1 the U. S. Department of Agriculture could report that Texas pasture conditions were at 83% of normal. This was the best showing for that date since 1950, when the drouth began. Last year the June 1 report placed pasture conditions at 53% of normal. All over the state, livestock are now getting fat and sleek on the abundant green feed. The flood of livestock to market, caused by the high cost of feeding, has stopped. Ranchers are restocking conservatively to give their land the time needed to repair the ravages of the drouth.

1957 MONTHLY RAINFALL THROUGH MAY

(Averages for Stations in Crop-Reporting Districts)

District	January	February	March	April	May	Total
1-N	.21	.99	1.58	2.43	5.44	10.65
1-S	.14	1.10	.59	1.95	5.76	9.54
2	.19	1.90	1.17	4.96	10.04	18.26
3	.40	3.84	1.41	9.07	13.04	27.76
4	1.45	2.52	3.29	13.38	12.09	32.73
5	1.80	3.15	3.72	11.41	5.55	25.63
6	.16	1.22	.18	.18	1.59	3.33
7	.46	1.56	1.72	7.01	7.11	17.86
8	.41	2.49	3.22	9.26	6.95	22.33
9	.82	2.90	6.56	9.18	5.07	24.53
10	.15	1.94	1.62	5.16	5.52	14.39
10-A	.13	3.17	1.30	2.92	3.08	10.60
State total average	.53	2.23	2.19	6.41	6.77	18.13

Source: Crop-weather reports of the U.S. Departments of Agriculture and Commerce.

FARM CASH INCOME*

Commodity	January–May 1957	January–May 1956	Percent change
	Thousands of dollars		
TOTAL	468,618	546,344	— 14
Cotton	108,689	126,882	— 14
Cottonseed	.....	.....	**
Wheat	9,937	5,219	+ 90
Oats	1,134	1,139	**
Corn	2,278	3,273	— 30
Grain sorghum	19,306	20,535	— 6
Flaxseed	252	358	— 30
Peanuts	1,335	4,214	— 68
Rice	.....	.....	**
Cattle	105,445	132,558	— 20
Calves	32,048	36,419	— 12
Hogs	29,082	32,986	— 12
Sheep and lambs	11,113	14,156	— 22
Wool	5,170	4,499	+ 15
Mohair	8,436	5,060	+ 67
Poultry	22,384	26,503	— 16
Eggs	19,358	28,446	— 32
Milk and milk products	50,864	56,450	— 10
Fruits and vegetables	41,787	47,647	— 12

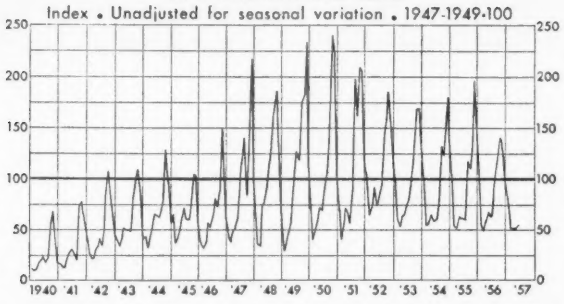
*Farm cash income as computed by the Bureau understates actual farm cash income by 6% to 10%. This situation results from the fact that means of securing complete local marketings, especially by truck, have not yet been fully developed. In addition, means have not yet been developed for computing cash income from all agricultural specialities of local importance in scattered areas. This situation does not impair the accuracy of the index shown on page 24.

**Change is less than one-half of one percent.

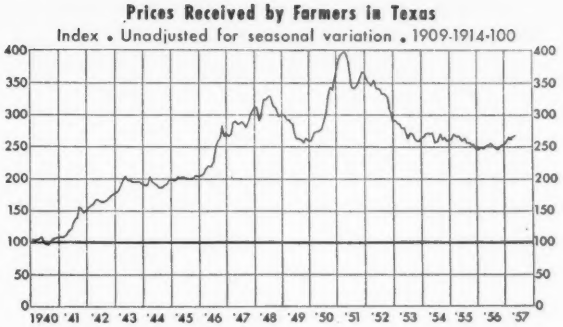
Cotton. As the rains continued through May, impeding planting and washing out fields that were already seeded, the state's cotton farmers became more and more worried about the delay. Extensions on the federal price support planting deadline had to be made in most areas. But in the Lower Rio Grande Valley and the Coastal Bend, where the fields stayed dry enough to work earlier in the spring, prospects looked very promising. There the crop was being cultivated and chopped in early June. In the rest of the state, however, the picture was not as bright. While Valley farmers were thinking about picking, cotton men from Waco northward were still worrying about getting their seed into the ground. And in the High Plains the situation was the same; considerable acreage had to be replanted because of the heavy May rains. Nevertheless, the benefits of the rains still far outweigh the harms. During the drouth, only the irrigated areas were able to sustain production. Adequate moisture means that dryland farmers over the state will be back in the cotton picture.

Wheat. This winter, High Plains dryland wheat farmers drilled their seed into the parched ground and hoped that this would be the year. The drouth had struck hard, and most of them had not raised a crop in several years (see January 1957 *Texas Business Review*). Intermittent rains nursed the seed along, but the outlook was not favorable, and at the beginning of the year the USDA estimated production at a very low 18.9 million bushels. Doubts were not soothed by the fact that much of the crop did not germi-

Farm Cash Income in Texas



Prices Received by Farmers in Texas



nate until mid-February—very late for winter wheat.* But frequent rain and cool weather brought the crop along better than had seemed possible. June estimates of the USDA placed the crop at 33.9 million bushels. The indicated yield of 15 bushels per harvest acre would be the highest since the record-breaking crop of 1947, when the Lone Star State produced 124 million bushels, or more than 10% of the total U. S. wheat output. A 33.9 million bushel crop this year would be about one-fourth larger than last year, and the best production since 1952. Before the drouth Texas perennially ranked among the nation's top wheat-raising states; this year's crop may signal the start of a comeback.

Small grains. The USDA's June survey of the condition of small grains in the state pointed to good yields. Rye was estimated at 79% of normal condition, as compared with 55% last June. Oats were at 73%, compared with 42% in June 1956. Barley (75%, up 19 points over last year), hay (75%, up 16 points), and alfalfa (76%, up 23 points) were all in good condition despite damage by the heavy rains.

Fruits and vegetables. Excessive rains have hurt vegetable and melon production in many areas, and as a result, Texas production this year is estimated to be 4% under last year. South Texas cantaloupes, North Texas onions, and East Texas tomatoes were particularly hard hit by the May downpours. Spring cantaloupe production is estimated at 698,000 boxes (100 pounds each), as compared with 1.2 million boxes last year. Blight reduced the late spring onion crop in North Texas to an estimated 160,000 boxes. This is above last year's low 148,000-box output but far below the average crop (282,000 boxes for the period 1947–1955). The same story holds for tomatoes, with estimated production at 407,000 boxes—up from last year's 375,000 boxes but down from the average of 717,000 boxes. However, the early summer onion crop has escaped rain damage, and with greatly increased acreage over the state the outlook is for a bumper crop of 1.4 mil-

* Only winter wheat varieties are raised in Texas.

INDEXES OF PRICES RECEIVED BY FARMERS

(1909–14 = 100)

Source: Agricultural Marketing Service, U.S. Department of Agriculture

Index	May 1957	Apr 1957	May 1956	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
ALL FARM PRODUCTS	268	264	252	+ 2	+ 6
ALL CROPS	256	254	239	+ 1	+ 7
Food grains	219	225	224	— 3	— 2
Feed grain and hay	182	189	170	— 4	+ 7
Potatoes and sweet potatoes	250	255	229	— 2	+ 9
Fruit	102	102	103	**	— 1
Truck crops	413	377	262	+ 10	+ 58
Cotton	251	251	254	**	— 1
Oil-bearing crops	293	293	240	**	+ 22
LIVESTOCK AND POULTRY PRODUCTS	284	278	269	+ 2	+ 6
Meat animals	321	317	298	+ 1	+ 8
Dairy products	234	234	245	**	— 4
Poultry and eggs	177	172	216	+ 3	— 18
Wool	369	335	248	+ 13	+ 53

**Change is less than one-half of one percent.

recently released

An Economic Survey of BURNET, Texas

A 66-page analysis of the economic life of Burnet—city and county—this publication is by Stanley A. Arbingast, Sylva M. Bowlby, and Tom Greer. Possibilities for expanded manufacturing activity are discussed, appended by 27 informative, statistical tables; one dollar, fifty cents; sixty-six pages.

REVISED 1957

An Economic Survey of DENTON COUNTY, Texas

Revised 1957 by Sylva M. Bowlby, the original 1953 economic survey of Denton and Denton County by John R. Stockton, Stanley A. Arbingast, Richard C. Henshaw, Jr., and Alfred G. Dale is brought up to date. Two dollars; 130 pages.

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CARLOAD SHIPMENTS OF FRUITS AND VEGETABLES

Source: Compiled from reports received from Agricultural Marketing Service, U.S. Department of Agriculture

Commodity	January–May 1957	January–May 1956	Percent change
TOTAL SHIPMENTS	16,535	25,487	— 35
FRUIT	1,139	2,457	— 54
Cantaloupes	786	2,014	— 61
Grapefruit	106	68	+ 56
Honeydews	205	318	— 36
Plums and prunes	42	57	— 26
VEGETABLES	13,286	20,716	— 36
Beets	61	89	— 31
Cabbage	818	2,411	— 66
Carrots	3,713	5,771	— 36
Corn	59	120	— 51
Cucumbers	18	3	+500
Lettuce	1,029	1,721	— 40
Onions	2,586	3,902	— 34
Peppers	14	2	+600
Tomatoes	1,877	1,707	+ 10
Mixed vegetables	3,111	4,990	— 38
ALL OTHERS*	2,110	2,314	— 9

*Includes all items which had no shipments in May 1957.

CARLOAD SHIPMENTS OF LIVESTOCK*

Source: Bureau of Business Research in cooperation with Agricultural Marketing Service, U. S. Department of Agriculture

Classification	May 1957	Apr 1957	May 1956	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
TOTAL	4,275	3,682	4,515	+ 16	— 5
Cattle	3,406	3,097	3,302	+ 10	+ 3
Calves	370	316	400	+ 17	— 8
Hogs	.....	11	6	—100	—100
Sheep	499	258	807	+ 93	— 38
INTERSTATE	3,916	3,267	4,251	+ 20	— 8
Cattle	3,077	2,704	3,092	+ 14	**
Calves	345	295	388	+ 17	— 11
Hogs	.....	11	2	—100	—100
Sheep	494	257	769	+ 92	— 36
INTRASTATE	359	415	264	— 14	+ 36
Cattle	329	393	210	— 16	+ 57
Calves	25	21	12	+ 19	+108
Hogs	.....	.....	4	**	—100
Sheep	5	1	38	+400	— 87

*Rail-car basis: cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.

**Change is less than one-half of one percent.

lion boxes. Last year's early summer prediction was 696,000 boxes, compared with an average of 271,000 boxes. Watermelon prospects also are good, with a production of 5.4 million boxes predicted. This is substantially above last year's 4.4 million boxes and above the long-term average (5.2 million boxes). The watermelon harvest is expected to extend later into the summer this year than is usual because of slowed vine growth from the cool weather.

The favorable moisture situation has substantially improved prospects for the Valley citrus crop, and there is now sufficient water behind Falcon Dam to see the trees through the critical July-August period. At the peak of the drouth last summer, citrusmen claimed that they were "watering their trees by the glassful." USDA estimates in June placed the crop at 65% of normal for grapefruit, 75% for oranges. This was much above the 43% and 52% shown for the 1946–1955 average June condition.

HOURS AND EARNINGS

Source: Texas Employment Commission in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor

Industry	Average weekly earnings: May 1957*	Apr 1957	May 1956	Average weekly hours: May 1957*	Apr 1957	May 1956	Average hourly earnings: May 1957*	Apr 1957	May 1956
ALL MANUFACTURING	$82.21	$82.82	$78.74	40.7	41.0	40.8	$2.02	$2.02	$1.93
Durable goods	82.19	82.98	78.77	41.3	41.7	41.9	1.99	1.99	1.88
Primary metals	91.94	90.62	85.57	39.8	39.4	39.8	2.31	2.30	2.15
Machinery—except electrical	84.63	87.99	85.22	40.3	41.7	43.7	2.10	2.11	1.95
Transportation equipment	92.34	95.30	92.39	39.8	40.9	40.7	2.32	2.33	2.27
Fabricated metal products	83.89	83.35	75.95	45.1	45.3	43.4	1.86	1.84	1.75
Lumber and wood products	54.88	54.00	54.25	43.9	43.9	43.4	1.25	1.23	1.25
Furniture and fixtures	60.68	59.30	55.38	41.0	39.8	39.0	1.48	1.49	1.42
Stone, clay, and glass	72.85	72.24	72.65	42.6	42.0	44.3	1.71	1.72	1.64
Nondurable goods	82.21	82.62	79.00	40.1	40.3	39.7	2.05	2.05	1.99
Textile mill products	53.58	55.84	50.13	40.9	42.3	40.1	1.31	1.32	1.25
Broad woven goods	54.21	56.20	47.21	41.7	42.9	38.7	1.30	1.31	1.22
Apparel and fabric products	43.79	45.01	40.37	36.8	37.2	34.8	1.19	1.21	1.16
Food	72.50	72.00	67.77	40.5	40.0	40.1	1.79	1.80	1.69
Meat packing	93.20	90.71	83.37	40.0	39.1	39.7	2.33	2.32	2.10
Printing	90.48	89.47	83.76	39.0	38.9	37.9	2.32	2.30	2.21
Paper and allied products	90.45	91.56	87.99	41.3	42.0	41.9	2.19	2.18	2.10
Chemical and allied products	100.67	100.20	96.48	41.6	42.1	42.5	2.42	2.38	2.27
Vegetable oil mills	57.72	57.92	56.64	48.5	49.5	47.6	1.19	1.17	1.19
Petroleum and coal products	109.08	110.27	107.07	40.7	41.3	40.1	2.68	2.67	2.67
Leather	48.38	45.47	44.20	37.5	35.8	38.1	1.29	1.27	1.16
NONMANUFACTURING									
Mining	103.92	102.42	98.93	43.3	43.4	43.2	2.40	2.36	2.29
Crude petroleum products	105.84	104.59	100.62	43.2	43.4	43.0	2.45	2.41	2.34
Sulfur	90.39	90.85	88.88	39.3	39.5	39.5	2.30	2.30	2.25
Public utilities	78.60	77.81	74.37	40.1	39.9	40.2	1.96	1.95	1.85
Retail trade	59.31	59.18	59.36	40.9	41.1	41.8	1.45	1.44	1.42
Wholesale trade	81.18	80.18	79.00	42.5	42.2	42.7	1.91	1.90	1.85

Figures do not cover proprietors, firm members, other principal executives, or unpaid household workers.

* Preliminary—subject to revision upon receipt of additional reports.

Construction:

PUBLIC SPENDING SUPPORTS ACTIVITY

By CLIFFORD E. McCORMICK, JR.

Building construction authorized in Texas in May, after adjustment for seasonal variation, gained almost 8% over April, nearly identical to the gain in April over March. This contrasts favorably with the downward movement apparent during the first quarter of this year. Moreover, seasonally adjusted values for each major division—residential, nonresidential, and additions, alterations and repairs—showed gains over the previous month.

In residential housekeeping building, the only decline registered was in two-family dwellings. All other unit sizes showed significant increases. Although three important classifications sagged, nonresidential building also recorded a net increase. Instrumental in effecting this increase was public money. Value of permits issued in May for construction of public buildings exceeded the figure for the entire January–May period of 1956. Important gains were also recorded for educational buildings (largely publicly financed) and for additions, alterations and repairs to public buildings.

Additions, alterations and repairs to all other types of buildings continued to hold up strong.

A noteworthy aspect of the total construction picture is that the increase in authorizations is contained wholly within the central cities in the metropolitan areas. All other areas are running below the previous month. Further, construction authorized in these same areas through May 1957 is under the same period of last year. This seems to be the result of a number of large construction projects which have been centered in the more densely populated areas, coupled with the continuing trend toward urbanization.

The recent increases have been sufficient to raise total construction authorized during the first five months of this year only 1% above the same period of last year. If allowances for increased costs are made, the physical volume of building authorized in the state during this period is actually less than it was in the same period of 1956.

ESTIMATED VALUE OF BUILDING AUTHORIZED

Source: Bureau of Business Research in cooperation with the Bureau of Labor Statistics, U. S. Department of Labor

Classification	May* 1957	January–May 1957	January–May 1956	Percent change
CONSTRUCTION CLASS				
ALL PERMITS	86,459	425,237	419,410	+ 1
New construction	76,140	375,679	375,286	**
Residential (housekeeping)	45,736	216,803	212,977	+ 2
One-family dwellings	43,344	207,781	200,369	+ 4
Multiple-family dwellings	2,392	9,022	12,608	— 28
Nonresidential buildings	30,404	158,876	162,309	— 2
Nonhousekeeping buildings (residential)	1,689	3,556	2,285	+ 56
Amusement buildings	1,284	2,656	3,798	— 30
Churches	3,058	16,340	10,342	+ 58
Factories and workshops	3,244	20,518	7,750	+165
Garages (commercial and private)	382	2,410	2,281	+ 6
Service stations	1,078	5,461	5,100	+ 7
Institutional buildings	955	6,628	1,863	+265
Office-bank buildings	3,658	18,175	40,491	— 55
Public buildings†	1,528	8,071	1,513	+433
Works and utilities	12	3,906	5,230	— 25
Educational buildings	6,687	44,733	47,161	— 5
Stores and mercantile buildings	5,459	24,223	32,719	— 26
Other buildings and structures	370	2,199	1,776	+ 24
Additions, alterations, and repairs	10,319	49,558	44,124	+ 12
METROPOLITAN vs. NON-METROPOLITAN‡				
Total metropolitan	65,873	327,309	313,824	+ 4
Central cities	56,612	288,022	268,465	+ 7
Outside central cities	9,261	39,287	45,359	— 13
Total nonmetropolitan	20,586	97,928	105,586	— 7
10,000 to 50,000 population	14,663	71,057	76,431	— 7
Less than 10,000 population	5,923	26,871	29,155	— 8

Only building for which permits were issued within the incorporated area of a city is included. Federal contracts and public housing are not included.

*Preliminary.

†As defined in the 1950 Census.

‡State and local government buildings.

**Change is less than one-half of one percent.

VALUE OF CONSTRUCTION CONTRACTS AWARDED

Source: Dodge Statistical Service

Type of construction	May 1957	January-May 1957	January-May 1956	Percent change
	Value (thousands of dollars)			
TOTAL CONSTRUCTION	193,245	890,543	759,673	+ 5
ALL BUILDINGS	130,564	532,330	602,396	— 12
Residential	62,778	300,796	317,534	— 5
Nonresidential	67,786	231,534	284,862	— 19
PUBLIC WORKS AND UTILITIES	62,681	268,213	157,277	+ 71

RESIDENTIAL NONHOUSEKEEPING BUILDING

This entire group continued to gain with an over-all monthly increase of 95% and a year-to-date increase of 56%.

The largest increase in this category occurred in hotel authorizations, which rose from $25,000 in April to $630,000 in May. This was principally due to a $500,000 permit issued in Dallas. Miscellaneous construction (which includes club and association buildings with bedrooms, such as YMCA's, service clubs, and fraternity houses) also had a considerable increase, jumping 136% to $137,000. The major item was a $111,000 permit for the YMCA in Corpus Christi.

Authorizations for tourist courts continued to show the largest valuation, however, increasing 18% over April to $922,000. Included is a $128,700 permit issued by Arlington and an authorized $650,000 addition to the Terrace Motor Hotel in Austin.

Important projected (but not yet authorized) construction in this category includes a $13-million hotel in Corpus Christi on which work may begin in eight months if financial and zoning arrangements are completed. In Houston, preliminary plans call for 30 additional units to the Ranger Motel at an approximate cost of $200,000.

Housing activity is still holding up fairly well. Although residential housekeeping building for May 1957 is down 3% from the same month last year, this compares favorably with the national situation where home building has experienced a decided slump this year. Dollar

value of housing construction authorized in Texas through the first five months of 1957 is 2% above the same period of 1956.

The new housing law, which is expected to bolster home construction, should go to the White House for the President's signature sometime this month. The Senate has voted an amended bill which makes minor changes in the House schedule of lower FHA down payments but which doesn't weaken government support of housing programs. Lower down payments on properties purchased with FHA-insured mortgages are assured by the action of the two houses. Both versions make substantial cuts in present requirements. Home builders say this is essential to maintain the volume of new home sales with the GI home loan program for World War II veterans due to expire next year. In addition, the Senate acted to alleviate shortage of mortgage money by approving a $550-million increase in the Federal National Mortgage Association's FHA and VA mortgage buying authority. This is substantially less than that approved by the House but assures that conferees can come up with nothing less.

General assistance funds that the President allocates to such special uses as urban renewal and disaster housing will be stepped up by $250 million, as approved by both houses.

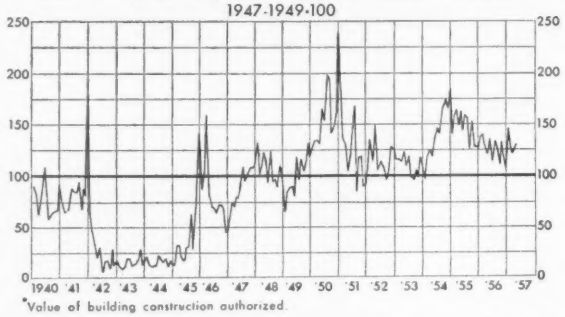
NONRESIDENTIAL BUILDING

Texas appears to be following the national pattern in nonresidential building in three respects. Authorizations for stores and mercantile buildings have slowed temporarily. Value of permits issued in May was 15% below the previous month and in the year-to-date column was running 26% behind the first five months of 1956. Nationally, however, a cyclical upturn is expected in all types of commercial building. An upsurge of projects moving into the design stage indicates that commercial building may match the 1956 record or even top it. Texas should participate in these developments.

Industrial building is showing signs of leveling off after getting a fast start early in the year. May authorizations dropped 21% from April—declining for the second consecutive month. But construction authorized during January–May 1957 is still 165% above the same period of last year due to the record first-quarter surge.

Building Construction in Texas

Index • Adjusted for price changes and seasonal variation • 1947-1949-100



*Value of building construction authorized.

Another parallel to the national construction situation has been the importance of Texas public spending in maintaining the level of nonresidential activity. Had authorizations for public buildings not increased a whopping 433% over the first five months of 1956, the nonresidential picture, as measured by building permits issued, would look somewhat darker.

The 55th Texas Legislature helped keep the ball rolling by authorizing $18 million to construct state office buildings and hospitals. But top construction news from the Capitol was a record budget for the Texas Highway Department and passage of a $200-million water conservation measure.

The $2 billion-plus general appropriation bill for the 1958–1959 biennium estimated Highway Department spending for the next two fiscal years at almost three-quarters of a billion dollars. Almost half of this record budget for highway construction will come from greatly increased federal funds, but state spending for roads also will climb sharply.

Final fate of the $200-million water conservation measure will be decided by the voters at a November 5 election.

Large school bond issues of more than one-half million dollars recently approved include those by the following independent school districts: Big Spring, Pine Tree, Pasadena, Borger, and Corsicana.

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These building programs will help provide a continuing cushion of public money for private construction to fall back on.

Large permits issued for nonresidential buildings in May 1957 were widely distributed among a number of cities. Churches to be constructed include buildings in Dallas for the Cedar Crest Baptist Church ($155,000) and the Catholic Diocese of Dallas and Fort Worth ($272,000); in Pasadena, the Thomas Avenue Baptist Church ($100,000); in Hereford, a Church of Christ ($150,000); in Kingsville, a Catholic church ($200,000); and a church building ($332,000) in Bryan.

Office buildings was another active group in May. The Combined American Insurance Company was issued a permit in Dallas for $100,000. Also authorized was a $685,000 permit to the Lufkin National Bank. In El Paso, a $110,000 permit was issued to remodel the First National Bank, and three office buildings were authorized in Beaumont for a total cost of almost $466,000.

The greatly increased pace of amusement building authorizations in May was due principally to four permits in Houston for $698,500 and one in Beaumont for $163,500. Another large valuation was the $162,000 authorization for a bowling alley in Wichita Falls.

PER CAPITA

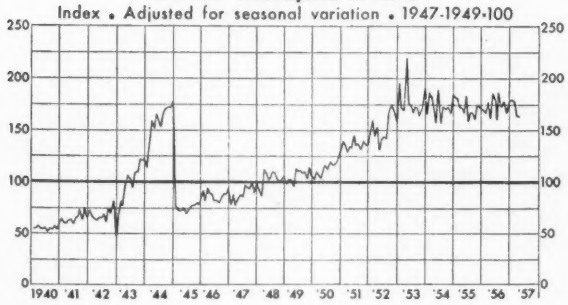
Per capita building authorized in 309 cities, representing 70.3% of Texas' nonfarm population, averaged $19.74 in May 1957. Of the cities reporting more than $100 per capita authorization, five were in Dallas County: Farmers Branch ($210.93), Garland ($134.90), Irving ($747.81), Mesquite ($195.75), and Richardson ($806.05). Two cities were in Harris County: Piney Point Village ($765.00) and Shoreacres ($131.15).

In Tarrant County, Arlington ($114.14) and North Richland Hills ($750.00) reported more than $100 per capita authorization, as did Jacksonville ($121.53) in Cherokee County and Groves ($170.00) in Jefferson County.

Houston had the highest building per capita ($26.44) among the six largest cities. Dallas ranked second with $25.55, and Austin followed with $23.65. Fort Worth reported $23.10 and San Antonio $14.98. El Paso was sixth with $14.14.

Gasoline Consumption in Texas

Index • Adjusted for seasonal variation • 1947-1949=100



Finance:

LOCAL GOVERNMENTS BORROW TOO

By ROBERT H. DRENNER

Local governments have been heavy borrowers throughout the postwar period and have used the funds primarily to supplement operating surpluses for the financing of new schools, streets, water and sewerage systems, and other fixed facilities. A continued high rate of local government borrowing and construction programs so financed are important in sustaining a high level of economic activity; new bond issues sold or announced for sale in the near future by Texas local governments indicate little immediate change in this important segment of the state's business picture.

However, a prolonged tight-money market has pushed interest rates on even tax-exempt obligations so high that considerable pressure to scale down or postpone new bond issues is being felt by some municipalities and local governments. Port Arthur recently turned down all bids for a $2,896,000 school bond offering; Austin postponed a municipal bond issue and was able to sell only part of a school issue at an acceptable rate.

State governments, whose offerings frequently bear statutory interest restrictions, are feeling the market pinch also. Both Texas and Louisiana recently withdrew issues of veterans' revenue bonds when they found no takers for the offered coupons.

Major Texas local government bond issues recently sold or scheduled for sale include:

San Antonio: A $13,920,000 issue of water revenue bonds (sold at a net interest cost of 3.783%).

Corsicana: $1,175,000 in school bonds.

REVENUE RECEIPTS OF THE STATE COMPTROLLER
Source: State Comptroller of Public Accounts

Account	September 1–May 31 1956–57	1955–56	Percent change
TOTAL	$701,098,624	$684,076,239	+ 2
Ad valorem, inheritance, and poll taxes	40,627,991	39,087,470	+ 4
Natural and casinghead gas production taxes	31,185,668	31,443,400	— 1
Crude oil production taxes	113,476,057	103,295,976	+ 10
Other gross receipts and production taxes	17,026,660	15,805,616	+ 8
Insurance companies and other occupation taxes	21,423,604	22,539,134	— 5
Motor fuel taxes (net)	120,957,628	115,047,031	+ 5
Cigarette tax and licenses	33,448,921	32,560,360	+ 3
Alcoholic beverage taxes and licenses	23,522,976	21,748,942	+ 8
Automobile and other sales taxes	16,931,716	17,541,963	— 3
Licenses and fees	20,112,749	19,499,194	+ 3
Franchise taxes	33,740,684	30,867,768	+ 9
Mineral leases, land sales, rentals, and bonuses	13,290,490	25,719,338	— 48
Oil and gas royalties	22,806,448	20,104,515	+ 13
Interest earned	16,563,469	14,821,154	+ 12
Unclassified receipts	50,100,193	40,021,958	+ 25
Other miscellaneous revenue	9,118,391	7,132,349	+ 28
Federal aid for highways	16,657,131	25,407,014	— 34
Federal aid for public welfare	84,796,643	87,838,515	— 3
Other federal aid	15,008,421	13,400,344	+ 12
Donations and grants	302,784	194,198	+ 56

Harris County: Opened bids on June 27 for $5 million road bonds, due 1958–1982.

Fort Worth Independent School District: Marketed $5 million of bonds June 27.

Texas Sabine River Authority: Offered $5 million of water revenue bonds June 24.

Amarillo: Voters were asked to approve a $3-million bond issue July 9; proceeds are to be used for street improvements, city building repair, and airport expansion.

INDUSTRY BRIEFS

Southwestern Bell Telephone Company plans a public sale of $100 million in debentures on October 1, subject to stockholder and regulatory approval. Proceeds of the sale will go for expansion and improvements of equipment.

Crescent Corporation expects to boost gross income 68% to $3,200,000 for 1957 and to exceed considerably last year's net income. The company is expanding through the acquisition of new oil and gas properties and petrochemical manufacturing facilities; capital expenditures this year will probably exceed the $2 million for 1956.

Continental Air Lines, Incorporated, is offering for public sale 230,000 shares of $10 par common stock. Proceeds of the sale will help to finance a major re-equipment program now under way.

Greyhound Corporation operating revenues for 1957 are expected to run about 10% ahead of the $243.8 million reported for 1956. Net income, though, will probably be only slightly better than last year. Consolidated net income in 1956 totaled $13.8 million ($1.27 per common share), up from $12.9 million ($1.18 per share) in 1955. Increased operating expenses is the factor dampening a further income rise for 1957.

Duval Sulphur and Potash Company earnings for the six months ended June 30 are predicted to top reported net income of $1,605,327 or $1.23 per share (based on present capitalization) for the same 1956 period. The prediction is based upon improved results for the March quarter, with current prospects for a good second quarter.

Kerr-McGee Oil Industries, Incorporated, net income for the nine months ended March 31 climbed to $5,383,090 ($2.33 per common share). Net income for the first nine months of fiscal 1956 was $3,347,953 ($1.55 per share). For the three months ended March 31 the company's earnings were $2,669,797, compared with $1,307,697 for the same period last year.

Sears, Roebuck and Company sales for the first 1957 quarter were 4.9% above sales for the same period last year, but profits showed little increase over the 38 cents a share earned in the same 1956 quarter. Highly competitive selling prices are holding down profits, despite the increase in volume.

The company plans to issue another $50 million or more in debentures this year, to be used by the subsidiary handling the company's instalment credit.

Dresser Industries, Incorporated, sales and earnings for fiscal 1957 should exceed considerably those for 1956, according to an interim report. Earnings for the second quarter ended April 30 were $4,889,905 ($1.09 per share) on sales of $64,199,749. For the similar 1956 period net income was $4,018,825 (90 cents per share) on sales of $55,396,682. Sales and earnings for the first half of fiscal 1957 were up about 25% from the first half of last year.

Though there has been a decline in the company's exploration and drilling activities (which normally account for about half of the company's revenue), Dresser operat-

CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS IN THE DALLAS FEDERAL RESERVE DISTRICT

Source: Board of Governors of the Federal Reserve System

Account	Percent change* May 1957 from Apr 1957	May 1957 from May 1956	May 1956 from Apr 1956
TOTAL ASSETS	+ 1	+ 6	— 1
Loans and investments, less loans to banks and valuation reserves	+ 2	+ 5	**
Loans, less loans to banks and valuation reserves	— 1	— 2	**
Commercial, industrial, and agricultural loans	— 1	— 4	— 1
Loans for purchasing or carrying securities	— 2	+ 14	— 1
Real estate loans	**	— 9	+ 2
Other loans	— 1	+ 1	+ 2
Total U. S. Government securities	+ 8	+ 18	**
Treasury bills	+163	+456	+ 6
Treasury certificates of indebtedness	+ 32	+215	— 9
Treasury notes	— 25	— 24	**
Bonds	**	+ 1	**
Other securities	+ 4	+ 12	— 2
Loans to banks	+160	+550	— 67
Reserves with Federal Reserve banks	**	+ 9	— 5
Cash in vaults	+ 9	+ 2	+ 10
Balances with domestic banks	— 6	+ 4	— 6
Other net assets	— 1	+ 19	— 6
TOTAL LIABILITIES	+ 1	+ 6	— 2
Total adjusted deposits	+ 3	+ 6	**
Demand deposits	**	**	**
Time deposits	+ 1	+ 13	**
U. S. Government deposits	+ 74	+ 74	+ 15
Total interbank deposits	— 5	+ 6	— 10
Domestic banks	— 6	+ 6	— 10
Foreign banks	**	+ 19	**
Borrowings	— 8	— 34	— 2
Other liabilities	+ 1	+ 25	**
CAPITAL ACCOUNTS	**	+ 6	+ 1

*Percentage changes are based on the week nearest the end of the month.

**Change is less than one-half of one percent.

FEDERAL INTERNAL REVENUE COLLECTIONS

Source: Internal Revenue Service, U.S. Treasury Department

District	July 1–May 31 1956–57	1955–56	Percent* change
TEXAS	$2,260,031,734	$2,070,298,457	+ 9
Income	1,046,681,829	1,019,757,663	+ 3
Employment	23,915,790	23,681,957	+ 1
Withholding	984,954,785	865,800,643	+ 14
Other	204,479,328	161,108,194	+ 27
SOUTHERN DISTRICT	1,205,284,917	1,109,116,789	+ 9
Income	566,678,401	549,264,746	+ 3
Employment	5,690,822	4,979,477	+ 14
Withholding	507,624,216	456,355,378	+ 11
Other	125,291,478	98,517,188	+ 27
NORTHERN DISTRICT	1,054,746,816	961,181,668	+ 10
Income	480,003,428	470,492,917	+ 2
Employment	18,224,968	18,652,480	— 2
Withholding	477,330,569	409,445,265	+ 17
Other	79,187,850	62,591,006	+ 27

* Percentage changes are based on the week nearest the end of the month.

ing companies producing fabricated steel products are experiencing strong demand. Backlog of unfilled orders as of April 30 totaled $94,066,000, a 37% increase from a year ago.

Phillips Petroleum Company's net profit for 1957 is expected to increase substantially over the 1956 net profit. In 1956 Phillips' net income was $95,206,215 ($2.77 per share) on total income of $1,038,814,810. The company's planned 1957 capital expenditures will be about $240 million, a slight decline from the $257 million in 1956.

Texas Utility Company earnings for the year ended April 30 rose sharply to $29,652,244 ($2.43 per share) from $25,098,501 ($2.06 per share) for the preceding year. However, revenue gains this year will depend largely on the weather, which determines the amount of electricity sold to satisfy the air-conditioning load in the company's service area.

Gulf-Sulphur Corporation hopes to sell about 200,000 long tons of sulphur in 1957—its first full year of production—for a gross income of about $5 million. The company showed a profit last December for the first time and expects to be in the black for the whole of 1957.

Missouri-Kansas-Texas Railroad Company reports gross revenues of $23,254,115 for the first four months of 1957, down from $24,321,018 for the similar period last year. Net income so far this year is down sharply to a $331,366 net loss, compared with a net income for the same period in 1956 of $737,571.

Katy has before the Interstate Commerce Commission a third recapitalization plan to wipe out dividend arrears on its 7% preferred stock. There are currently 667,005 of these shares outstanding, on which dividend arrears of $106,053,795 (equal to about $159 per share) had accumulated by last December 31. Recapitalization is a part of the company's efforts to improve its financial position so that it can proceed with plans for modernization and improvement of its Denison rail yard, along with major overhauls of its yards at Waco and at Parsons, Kansas. Actual construction depends upon the availability of funds, and Katy's cash position is currently short. For several months there has been a steady decline in business, as there has been generally in the territory Katy serves.

Texas Gas Transmission Company earnings will be about $2 a common share in 1957, compared with $2.17 in 1956. The drop in net income is almost entirely due to a rate case pending before the Federal Power Commission. Predicted net income will still be the second highest in the company's history. Earnings for the quarter ended March 31 were equal to 58 cents per common share, down from 65 cents for the same 1956 period.

The company probably will continue its dividend policy of $1 in cash and 2% in stock as paid in 1956 or will increase the cash rate in lieu of stock. Investment in *Texas Gas Exploration Corporation* since 1950 totals $2.5 million. The subsidiary had its first profitable year in 1956 with a net income of $503,000 and reserves estimated at $6.5 million at the year's end.

Texas Power and Light Company reports a net income of $12,038,496 for the 12 months ended April 30, a significant increase over the $10,728,274 reported for the prior year. Net income for April 1957 was $769,886, compared with $720,456 for April 1956.

Gulf States Utilities Company has asked the FPC for permission to raise by $2 million to $18 million the amount of unsecured promissory notes it can have outstanding at one time. The FPC in December authorized the company to issue up to $16 million of promissory notes to help finance its construction program. The additional funds are needed, according to the company, to speed up this program.

LOANS BY SAVINGS AND LOAN ASSOCIATIONS

Source: Federal Home Loan Bank of Little Rock

Type	May 1957	Apr 1957	May 1956	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
	Number				
ALL LOANS	4,162	3,950	4,283	+ 5	— 3
Construction	714	730	780	— 2	— 8
Purchase	1,566	1,465	1,478	+ 7	+ 6
Other	1,882	1,755	2,025	+ 7	— 7
	Value (thousands of dollars)				
ALL LOANS	27,498	25,389	25,367	+ 8	+ 8
Construction	6,942	6,666	7,280	+ 4	— 5
Purchase	12,984	11,802	11,120	+ 10	+ 17
Other	7,572	6,921	6,967	+ 9	+ 9

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Local Business Conditions

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
ABILENE (pop. 55,000r)			
Retail sales	.....	+ 11	+ 8
Apparel stores	.....	+ 15	— 10
General merchandise stores	.....	+ 2	— 9
Lumber, building material, and hardware stores	.....	— 11	— 18
Postal receipts	$ 74,311	**	+ 7
Building permits, less federal contracts	$ 1,616,100	— 25	— 19
Bank debits (thousands)	$ 81,331	— 4	+ 6
End-of-month deposits (thousands)‡	$ 58,167	— 4	+ 5
Annual rate of deposit turnover	16.4	— 2	**
Employment	30,000	**	+ 6
Manufacturing employment	3,760	+ 2	+ 12
Percent unemployed	5.7	+ 2	+ 8
ALPINE (pop. 5,261)			
Postal receipts	$ 2,849	— 31	— 9
Building permits, less federal contracts	$ 0	—100	—100
Bank debits (thousands)	$ 2,335	— 6	+ 2
End-of-month deposits (thousands)‡	$ 4,035	— 3	+ 2
Annual rate of deposit turnover	6.8	— 6	— 1
AMARILLO (pop. 125,049r)			
Retail sales	.....	+ 1	+ 14
Apparel stores	.....	— 9	+ 4
Automotive stores	.....	+ 5	+ 31
Drug stores	.....	+ 5	+ 6
Furniture and household appliance stores	.....	+ 3	— 1
Gasoline and service stations	.....	+ 1	+ 13
Liquor stores	.....	+ 7	+ 6
Lumber, building material, and hardware stores	.....	— 11	+ 5
Postal receipts	$ 123,932	— 11	— 3
Building permits, less federal contracts	$ 2,109,959	+ 27	+ 22
Bank debits (thousands)	$ 170,591	— 1	+ 6
End-of-month deposits (thousands)‡	$ 100,487	— 2	— 7
Annual rate of deposit turnover	20.2	**	+ 17
Employment	48,050	+ 1	+ 4
Manufacturing employment	5,345	+ 1	+ 3
Percent unemployed	4.1	— 11	+ 3
ARLINGTON (pop. 27,550r)			
Postal receipts	$ 20,451	— 2	+ 20
Building permits, less federal contracts	$ 877,561	+ 8	+ 19
Employment (area)	198,900	**	+ 2
Manufacturing employment (area)	62,100	**	+ 1
Percent unemployed (area)	5.0	— 2	+ 16
AUSTIN (pop. 168,500r)			
Retail sales	.....	+ 8	+ 4
Apparel stores	.....	— 1	+ 20
Automotive stores	.....	+ 7	+ 17
Eating and drinking places	.....	+ 5	+ 10
Food stores	.....	+ 11	— 6
Furniture and household appliance stores	.....	+ 32	+ 5
Lumber, building material, and hardware stores	.....	+ 1	— 9
Postal receipts	$ 267,307	**	+ 13
Building permits, less federal contracts	$ 3,132,457	— 5	— 1
Bank debits (thousands)	$ 158,435	— 10	+ 2
End-of-month deposits (thousands)‡	$ 123,807	— 1	+ 8
Annual rate of deposit turnover	15.2	— 9	— 4
Employment	70,600	**	+ 3
Manufacturing employment	5,295	**	+ 4
Percent unemployed	3.8	— 5	+ 3

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
BAYTOWN (pop. 22,983)			
Postal receipts	$ 17,315	— 8	+ 2
Building permits, less federal contracts	$ 311,190	— 1	— 3
Bank debits (thousands)	$ 20,599	+ 1	+ 7
End-of-month deposits (thousands)‡	$ 22,742	— 12	**
Annual rate of deposit turnover	10.2	+ 9	— 6
Employment (area)	420,500	**	+ 4
Manufacturing employment (area)	90,500	— 1	+ 2
Percent unemployed (area)	3.4	+ 3	— 6
BEAUMONT (pop. 104,416r)			
Retail sales	.....	+ 2	+ 6
Apparel stores	.....	— 20	— 6
Automotive stores	.....	+ 4	+ 15
Food stores	.....	— 7	— 10
Gasoline and service stations	.....	+ 13	+ 9
General merchandise stores	.....	+ 1	— 8
Lumber, building material, and hardware stores	.....	+ 2	+ 14
Postal receipts	$ 98,966	+ 9	+ 22
Building permits, less federal contracts	$ 1,404,833	— 29	+ 96
Bank debits (thousands)	$ 163,105	+ 3	+ 19
End-of-month deposits (thousands)‡	$ 107,505	+ 1	+ 6
Annual rate of deposit turnover	18.2	+ 2	+ 17
Employment (area)	86,000	+ 1	+ 3
Manufacturing employment (area)	30,050	+ 3	+ 6
Percent unemployed (area)	5.0	— 6	— 15
BEEVILLE (pop. 10,500r)			
Retail sales			
Automotive stores	.....	— 3	— 7
Postal receipts	$ 6,918	— 20	+ 4
Building permits, less federal contracts	$ 78,300	— 17	— 30
Bank debits (thousands)	$ 8,372	+ 7	+ 6
End-of-month deposits (thousands)‡	$ 12,184	— 2	— 2
Annual rate of deposit turnover	8.2	+ 8	+ 9
BIG SPRING (pop. 24,442r)			
Retail sales	.....	+ 7	— 6
Apparel stores	.....	— 10	— 2
Automotive stores	.....	+ 13	— 7
Drug stores	.....	+ 3	— 13
Lumber, building material, and hardware stores	.....	— 1	— 17
Postal receipts	$ 16,987	— 11	— 6
Building permits, less federal contracts	$ 269,665	— 2	— 40
Bank debits (thousands)	$ 30,712	+ 2	+ 26
End-of-month deposits (thousands)‡	$ 24,141	— 1	— 13
Annual rate of deposit turnover	15.2	+ 3	+ 45
BORGER (pop. 18,059)			
Retail sales			
Automotive stores	.....	— 19	— 4
Building permits, less federal contracts	$ 123,334	+ 30	— 18
Bank debits (thousands)	$ 20,261	+ 18	+ 29
End-of-month deposits (thousands)‡	$ 17,466	+ 1	+ 11
Annual rate of deposit turnover	14.0	+ 19	+ 18
BRENHAM (pop. 6,941)			
Postal receipts	$ 5,196	— 8	+ 3
Building permits, less federal contracts	$ 64,720	+ 33	+165
Bank debits (thousands)	$ 6,578	+ 4	+ 12
End-of-month deposits (thousands)‡	$ 11,745	— 5	— 4
Annual rate of deposit turnover	6.6	+ 6	+ 16

For explanation of symbols, see page 23.

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
BROWNSVILLE (pop. 36,066)			
Retail sales	.....	+ 9	+ 13
Automotive stores	.....	**	+ 11
Lumber, building material, and hardware stores	.....	— 11	— 7
Building permits, less federal contracts	$ 189,664	+ 54	— 38
BROWNWOOD (pop. 20,181)			
Retail sales	.....	— 8	+ 6
Apparel stores	.....	— 6	+ 5
Automotive stores	.....	— 10	+ 4
Furniture and household appliance stores	.....	— 11	— 1
Postal receipts	$ 15,444	— 9	.....
Building permits, less federal contracts	$ 21,715	+ 55	— 24
BRYAN (pop. 23,883[r])			
Retail sales	.....	+ 21	+ 1
Apparel stores	.....	+ 8	— 11
Automotive stores	.....	+ 35	+ 28
Postal receipts	$ 18,199	— 1	+ 2
Building permits, less federal contracts	$ 756,310	+168	+214
CISCO (pop. 5,230)			
Postal receipts	$ 3,083	— 14	— 4
Bank debits (thousands)	$ 2,511	— 4	+ 5
End-of-month deposits (thousands)‡	$ 3,440	— 3	— 10
Annual rate of deposit turnover	8.6	— 3	+ 15
CORPUS CHRISTI (pop. 165,458[u])			
Retail sales	.....	+ 1	+ 4
Apparel stores	.....	— 14	+ 3
Automotive stores	.....	+ 4	+ 7
Lumber, building material, and hardware stores	.....	— 12	— 3
Postal receipts	$ 124,748	— 5	+ 3
Building permits, less federal contracts	$ 1,306,368	— 15	— 12
Bank debits (thousands)	$ 190,968	+ 2	+ 14
End-of-month deposits (thousands)‡	$ 110,738	— 2	+ 7
Annual rate of deposit turnover	20.5	+ 3	+ 7
Employment	64,950	**	+ 1
Manufacturing employment	8,460	+ 1	+ 4
Percent unemployed	5.3	— 5	— 5
CORSICANA (pop. 19,211)			
Postal receipts	$ 14,031	+ 2	+ 4
Building permits, less federal contracts	$ 175,500	+113	+ 51
Bank debits (thousands)	$ 14,966	— 2	+ 2
End-of-month deposits (thousands)‡	$ 21,826	— 1	+ 2
Annual rate of deposit turnover	8.2	+ 3	**
DALLAS (pop. 538,924[u])			
Retail sales	.....	+ 7	**
Apparel stores	.....	+ 4	— 2
Automotive stores	.....	+ 8	+ 11
Drug stores	.....	**	— 3
Eating and drinking places	.....	+ 1	+ 10
Food stores	.....	+ 3	— 6
Furniture and household appliance stores	.....	+ 10	— 22
Gasoline and service stations	.....	+ 2	— 5
General merchandise stores	.....	+ 8	— 4
Lumber, building material, and hardware stores	.....	+ 14	— 10
Office, store, and school supply dealers	.....	+ 10	+ 29
Postal receipts	$ 1,606,755	— 2	+ 5
Building permits, less federal contracts	$11,098,784	+ 18	— 19
Bank debits (thousands)	$ 2,221,833	— 1	+ 4
End-of-month deposits (thousands)‡	$ 966,826	— 1	+ 2
Annual rate of deposit turnover	27.4	— 1	— 4
Employment (area)	340,200	**	+ 4
Manufacturing employment (area)	89,360	+ 1	+ 9
Percent unemployed (area)	2.4	**	+ 9

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
DEL RIO (pop. 14,211)			
Postal receipts	$ 9,758	— 2	+ 14
Building permits, less federal contracts	$ 179,525	+ 29	+103
Bank debits (thousands)	$ 11,003	+ 36	+ 3
End-of-month deposits (thousands)‡	$ 10,968	— 1	+ 4
Annual rate of deposit turnover	12.0	+ 46	— 2
DENISON (pop. 17,504)			
Postal receipts	$ 13,198	— 10	.....
Building permits, less federal contracts	$ 93,698	— 18	— 49
Bank debits (thousands)	$ 15,008	— 1	+ 7
End-of-month deposits (thousands)‡	$ 17,856	+ 2	+ 15
Annual rate of deposit turnover	10.2	— 5	— 6
DENTON (pop. 21,372)			
Retail sales			
Drug stores	.....	+ 7	+ 13
Postal receipts	$ 21,748	+ 8	.....
Building permits, less federal contracts	$ 141,700	+ 96	— 88
Bank debits (thousands)	$ 14,129	+ 9	+ 2
End-of-month deposits (thousands)‡	$ 17,150	— 2	**
Annual rate of deposit turnover	9.8	+ 8	+ 2
EDINBURG (pop. 15,993[r])			
Postal receipts	$ 6,078	— 16	— 12
Building permits, less federal contracts	$ 15,155	— 75	— 80
Bank debits (thousands)	$ 8,727	+ 16	+ 14
End-of-month deposits (thousands)‡	$ 7,400	— 2	+ 3
Annual rate of deposit turnover	14.0	+ 15	+ 14
EL PASO (pop. 244,400)			
Retail sales	.....	+ 10	+ 9
Apparel stores	.....	**	+ 13
Automotive stores	.....	+ 21	+ 24
Drug stores	.....	+ 5	— 1
General merchandise stores	.....	**	+ 1
Lumber, building material, and hardware stores	.....	+ 17	— 11
Piano and musical instrument stores	.....	+ 3	+ 39
Postal receipts	$ 193,032	— 5	+ 3
Building permits, less federal contracts	$ 1,912,568	— 21	— 29
Bank debits (thousands)	$ 291,438	+ 6	+ 17
End-of-month deposits (thousands)‡	$ 142,741	— 2	+ 9
Annual rate of deposit turnover	24.2	+ 3	+ 9
Employment	79,000	**	+ 2
Manufacturing employment	12,840	**	+ 4
Percent unemployed	3.9	— 7	— 9
FORT WORTH (pop. 315,578[u])			
Retail sales	.....	+ 4	— 2
Apparel stores	.....	— 10	— 3
Automotive stores	.....	+ 3	+ 2
Drug stores	.....	+ 5	— 3
Eating and drinking places	.....	+ 3	— 5
Food stores	.....	+ 4	— 10
Furniture and household appliance stores	.....	+ 44	— 11
Gasoline and service stations	.....	+ 4	— 1
General merchandise stores	.....	+ 5	**
Hay, grain, and feed stores	.....	— 13	— 15
Lumber, building material, and hardware stores	.....	+ 5	— 10
Postal receipts	$ 553,361	— 4	+ 1
Building permits, less federal contracts	$ 6,441,112	+175	+ 13
Bank debits (thousands)	$ 707,238	+ 1	+ 8
End-of-month deposits (thousands)‡	$ 366,813	— 1	+ 4
Annual rate of deposit turnover	23.0	+ 1	+ 6
Employment (area)	198,900	**	+ 2
Manufacturing employment (area)	62,100	**	+ 1
Percent unemployed (area)	5.0	— 2	+ 16

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item		May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
GALVESTON (pop. 71,527[a])				
Retail sales		.....	+ 6	**
Apparel stores		.....	— 3	+ 5
Food stores		.....	+ 2	+ 17
Furniture and household appliance stores		.....	+ 27	— 9
Lumber, building material, and hardware stores		.....	+ 7	— 12
Postal receipts	$	69,253	+ 3	+ 7
Building permits, less federal contracts	$	400,175	+ 46	+ 64
Bank debits (thousands)	$	93,438	+ 1	+ 10
End-of-month deposits (thousands)‡	$	71,457	**	+ 6
Annual rate of deposit turnover		15.7	**	+ 5
Employment (area)		49,100	+ 1	+ 5
Manufacturing employment (area)		11,570	— 1	+ 3
Percent unemployed (area)		5.5	— 5	— 5
GARLAND (pop. 10,571)				
Postal receipts	$	16,836	— 2	+ 24
Building permits, less federal contracts	$	1,426,319	— 3	+286
Bank debits (thousands)	$	15,722	— 2	+ 20
End-of-month deposits (thousands)‡	$	12,998	— 1	— 18
Annual rate of deposit turnover		14.5	— 2	+ 46
Employment (area)		340,200	**	+ 4
Manufacturing employment (area)		89,360	+ 1	+ 9
Percent unemployed (area)		2.4	**	+ 9
GIDDINGS (pop. 2,532)				
Postal receipts	$	2,270	+ 5	+ 14
Bank debits (thousands)	$	1,821	+ 3	— 4
End-of-month deposits (thousands)‡	$	3,262	— 2	— 4
Annual rate of deposit turnover		6.6	.....	**
GILMER (pop. 4,096)				
Retail sales		.....	+ 18	— 18
General merchandise stores		.....	+ 28	— 8
Lumber, building material, and hardware stores		.....	+ 39	— 6
Postal receipts	$	3,031	— 26	— 7
Building permits, less federal contracts	$	11,600	— 36	— 36
GLADEWATER (pop. 5,305)				
Postal receipts	$	4,070	— 19	**
Bank debits (thousands)	$	3,802	+ 5	— 3
End-of-month deposits (thousands)‡	$	4,173	— 3	— 4
Annual rate of deposit turnover		10.7	+ 6	— 4
Employment (area)		25,800	+ 1	+ 4
Manufacturing employment (area)		5,120	+ 2	+ 14
Percent unemployed (area)		3.6	— 5	**
GOLDTHWAITE (pop. 1,566)				
Postal receipts	$	1,171	— 67	+ 5
Bank debits (thousands)	$	4,482	+ 16	+ 12
End-of-month deposits (thousands)‡	$	3,440	+ 6	+ 11
Annual rate of deposit turnover		16.1	+ 10	+ 3
GRAND PRAIRIE (pop. 14,594)				
Postal receipts	$	17,079	+ 5	+ 4
Building permits, less federal contracts	$	311,637	+ 64	— 88
Employment (area)		340,200	**	+ 4
Manufacturing employment (area)		89,360	+ 1	+ 9
Percent unemployed (area)		2.4	**	+ 9
HARLINGEN (pop. 30,038[r])				
Retail sales				
Lumber, building material, and hardware stores		.....	— 1	+ 7
Postal receipts	$	25,848	— 13	— 7
Building permits, less federal contracts	$	456,210	+ 28	+ 36
Bank debits (thousands)	$	30,734	+ 1	— 5
End-of-month deposits (thousands)‡	$	20,990	— 1	+ 2
Annual rate of deposit turnover		17.5	+ 1	— 5

City and item		May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
GREENVILLE (pop. 17,500[r])				
Retail sales		.....	+ 5	— 2
Apparel stores		.....	+ 7	+ 6
Automotive stores		.....	+ 6	— 9
Drug stores		.....	+ 1	**
Lumber, building material, and hardware stores		.....	+ 21	+ 1
Postal receipts	$	14,386	— 17	+ 4
Building permits, less federal contracts	$	65,800	— 48	— 9
Bank debits (thousands)	$	12,811	+ 2	+ 12
End-of-month deposits (thousands)‡	$	14,286	— 1	— 3
Annual rate of deposit turnover		10.7	+ 5	+ 14
HENDERSON (pop. 11,606)				
Retail sales		.....	+ 8	+ 2
Apparel stores		.....	— 3	+ 4
Automotive stores		.....	+ 10	+ 6
General merchandise stores		.....	+ 12	— 10
Lumber, building material, and hardware stores		.....	+ 32	— 27
Postal receipts	$	7,311	— 17	+ 3
Bank debits (thousands)	$	6,935	— 8	— 5
End-of-month deposits (thousands)‡	$	13,873	**	— 4
Annual rate of deposit turnover		6.0	.....	— 2
HEREFORD (pop. 8,500)				
Postal receipts	$	5,222	+ 6	— 3
Building permits, less federal contracts	$	185,000	+ 79	+175
Bank debits (thousands)	$	9,955	+ 7	+ 28
End-of-month deposits (thousands)‡	$	9,723	— 9	+ 7
Annual rate of deposit turnover		11.7	+ 11	+ 17
HOUSTON (pop. 700,508[u])				
Retail sales¶		.....	+ 8	+ 4
Apparel stores¶		.....	— 7	+ 10
Automotive stores¶		.....	+ 4	**
Drug stores¶		.....	+ 5	+ 6
Eating and drinking places¶		.....	+ 3	+ 2
Food stores		.....	+ 6	+ 7
Furniture and household appliance stores¶		.....	+ 11	— 3
Gasoline and service stations¶		.....	— 1	+ 11
General merchandise stores		.....	+ 15	— 1
Lumber, building material, and hardware stores¶		.....	+ 35	+ 26
Other retail stores¶		.....	+ 11	— 5
Postal receipts	$	1,089,164	— 6	+ 7
Building permits, less federal contracts	$	15,762,100	+ 7	+ 41
Bank debits (thousands)	$	2,447,527	+ 5	+ 4
End-of-month deposits (thousands)‡	$	1,191,585	— 3	**
Annual rate of deposit turnover		24.4	+ 7	+ 4
Employment (area)		420,500	**	+ 4
Manufacturing employment (area)		90,500	— 1	+ 2
Percent unemployed (area)		3.4	+ 3	— 6
IRVING (pop. 2,621)				
Building permits, less federal contracts	$	1,959,780	— 1	+145
Employment (area)		340,200	**	+ 4
Manufacturing employment (area)		89,360	+ 1	+ 9
Percent unemployed (area)		2.4	**	+ 9
JASPER (pop. 4,403)				
Retail sales				
Automotive stores		.....	— 5	— 9
General merchandise stores		.....	+ 2	— 8
Bank debits (thousands)	$	5,594	+ 2	— 8
End-of-month deposits (thousands)‡	$	7,287	— 1	+ 10
Annual rate of deposit turnover		9.2	+ 2	— 11

For explanation of symbols, see page 23.

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
KILGORE (pop. 9,638)			
Postal receipts	$ 10,895	— 4	— 4
Building permits, less federal contracts	$ 324,987	+102	+351
Bank debits (thousands)	$ 16,336	+ 5	+ 11
End-of-month deposits (thousands)‡	$ 15,112	— 3	— 2
Annual rate of deposit turnover	12.7	+ 4	+ 9
Employment (area)	25,800	+ 1	+ 4
Manufacturing employment (area)	5,120	+ 2	+ 14
Percent unemployed (area)	3.6	— 5	**
KILLEEN (pop. 21,076[r])			
Postal receipts	$ 18,535	+ 1	+ 20
Building permits, less federal contracts	$ 58,567	+380	— 60
Bank debits (thousands)	$ 6,053	**	— 20
End-of-month deposits (thousands)‡	$ 5,418	— 2	— 6
Annual rate of deposit turnover	13.3	— 1	— 12
LAMESA (pop. 10,704)			
Retail sales			
Automotive stores		+ 23	+ 6
Lumber, building material, and hardware stores		+ 45	+ 21
Postal receipts	$ 7,711	— 1	+ 16
Building permits, less federal contracts	$ 169,438	+ 95	+230
LAMPASAS (pop. 4,869)			
Postal receipts	$ 2,671	— 18	— 15
Building permits, less federal contracts	$ 20,000	+317	— 66
Bank debits (thousands)	$ 5,218	+ 10	+ 2
End-of-month deposits (thousands)‡	$ 6,548	+ 7	— 11
Annual rate of deposit turnover	9.9	+ 6	+ 11
LAREDO (pop. 59,350[r])			
Postal receipts	$ 24,128	— 15	— 5
Building permits, less federal contracts	$ 146,498	— 37	— 22
Bank debits (thousands)	$ 26,559	+ 10	+ 9
End-of-month deposits (thousands)‡	$ 20,266	— 1	+ 4
Annual rate of deposit turnover	15.6	+ 8	+ 5
LLANO (pop. 2,954)			
Postal receipts	$ 1,676	— 17	— 12
Bank debits (thousands)	$ 2,526	+ 20	— 3
End-of-month deposits (thousands)‡	$ 3,117	**	— 3
Annual rate of deposit turnover	9.7	+ 21	— 2
LOCKHART (pop. 5,573)			
Postal receipts	$ 2,854	— 18	+ 2
Building permits, less federal contracts	$ 3,100	— 75	— 87
Bank debits (thousands)	$ 3,107	— 6	— 2
End-of-month deposits (thousands)‡	$ 4,477	— 1	— 6
Annual rate of deposit turnover	8.3	— 3	+ 4
LONGVIEW (pop. 34,328[r])			
Building permits, less federal contracts	$ 500,410	+ 88	+ 43
Bank debits (thousands)	$ 39,710	+ 9	+ 6
End-of-month deposits (thousands)‡	$ 36,326	— 5	+ 1
Annual rate of deposit turnover	12.8	+ 11	+ 4
Employment (area)	25,800	+ 1	+ 4
Manufacturing employment (area)	5,120	+ 2	+ 14
Percent unemployed (area)	3.6	— 5	**
LUFKIN (pop. 18,600[r])			
Postal receipts	$ 13,925	— 16	.....
Building permits, less federal contracts	$ 910,800	+ 25	+267
Bank debits (thousands)	$ 21,811	**	— 5
End-of-month deposits (thousands)‡	$ 21,590	+ 1	— 7
Annual rate of deposit turnover	12.2	+ 3	+ 2
McALLEN (pop. 25,326[r])			
Retail sales		+ 6	— 14
Automotive stores		— 6	— 34
Postal receipts	$ 18,135	— 7	+ 7
Building permits, less federal contracts	$ 242,495	+ 43	— 27
Bank debits (thousands)	$ 20,067	+ 8	— 1
End-of-month deposits (thousands)‡	$ 19,577	**	+ 5
Annual rate of deposit turnover	12.3	+ 11	— 9

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
LUBBOCK (pop. 134,156[r])			
Retail sales		— 9	— 5
Apparel stores		— 22	— 8
Automotive stores		— 14	— 18
Furniture and household appliance stores		+ 2	— 6
General merchandise stores		— 7	+ 3
Lumber, building material, and hardware stores		+ 5	+ 15
Postal receipts	$ 100,456	— 12	+ 12
Building permits, less federal contracts	$ 1,784,797	— 31	— 47
Bank debits (thousands)	$ 141,399	+ 4	+ 17
End-of-month deposits (thousands)‡	$ 96,563	— 4	+ 11
Annual rate of deposit turnover	17.3	+ 6	+ 7
Employment	44,000	**	+ 1
Manufacturing employment	4,490	**	— 5
Percent unemployed	5.1	— 2	— 2
McKINNEY (pop. 10,560)			
Building permits, less federal contracts	$ 98,680	+119	+131
Bank debits (thousands)	$ 6,274	— 5	— 2
End-of-month deposits (thousands)‡	$ 11,348	— 2	— 6
Annual rate of deposit turnover	6.6	— 4	+ 5
MARSHALL (pop. 25,479[r])			
Retail sales			
Apparel stores		— 10	— 6
Drug stores		+ 7	+ 1
Postal receipts	$ 16,621	— 5	— 2
Building permits, less federal contracts	$ 218,885	+ 12	+ 22
Bank debits (thousands)	$ 15,119	+ 5	**
End-of-month deposits (thousands)‡	$ 19,536	— 2	— 5
Annual rate of deposit turnover	9.2	**	+ 6
MERCEDES (pop. 10,081)			
Postal receipts	$ 3,839	.....	+ 3
Building permits, less federal contracts	$ 6,075	— 59	+ 44
Bank debits (thousands)	$ 6,370	+ 15	+ 1
End-of-month deposits (thousands)‡	$ 6,183	+ 2	+ 35
Annual rate of deposit turnover	12.5	+ 16	— 16
MIDLAND (pop. 42,600[r])			
Postal receipts	$ 55,140	— 1	+ 7
Building permits, less federal contracts	$ 1,742,000	— 51	+ 1
Bank debits (thousands)	$ 77,724	— 7	+ 11
End-of-month deposits (thousands)‡	$ 82,247	— 1	+ 4
Annual rate of deposit turnover	11.3	— 14	+ 7
MONAHANS (pop. 6,311)			
Postal receipts	$ 4,862	— 20	+ 14
Building permits, less federal contracts	$ 39,665	— 82	— 62
Bank debits (thousands)	$ 9,218	+ 4	+ 7
End-of-month deposits (thousands)‡	$ 8,320	— 3	+ 11
Annual rate of deposit turnover	13.1	+ 6	— 6
NEW BRAUNFELS (pop. 12,210)			
Retail sales			
Automotive stores		— 9	— 17
Postal receipts	$ 13,380	— 12	— 1
Building permits, less federal contracts	$ 113,870	+ 30	+ 1
Bank debits (thousands)	$ 7,932	— 2	— 4
End-of-month deposits (thousands)‡	$ 9,904	+ 7	— 3
Annual rate of deposit turnover	9.9	— 3	+ 1
ORANGE (pop. 21,174)			
Retail sales			
Automotive stores		+ 10	+ 18
Building permits, less federal contracts	$ 277,755	— 79	+ 24
Bank debits (thousands)	$ 23,087	+ 7	+ 15
End-of-month deposits (thousands)‡	$ 23,664	— 4	— 6
Annual rate of deposit turnover	11.4	+ 10	+ 21

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
PALESTINE (pop. 15,063[r])			
Postal receipts	$ 9,310	— 9	— 12
Building permits, less federal contracts	$ 92,573	+ 16	— 41
Bank debits (thousands)	$ 7,210	— 5	+ 7
End-of-month deposits (thousands)‡	$ 13,281	**	**
Annual rate of deposit turnover	6.5	— 4	+ 8
PAMPA (pop. 20,448[r])			
Postal receipts	$ 16,661	+ 1	+ 13
Building permits, less federal contracts	$ 592,658	— 14	+ 39
Bank debits (thousands)	$ 17,985	— 3	+ 11
End-of-month deposits (thousands)‡	$ 22,460	+ 8	+ 7
Annual rate of deposit turnover	10.0	— 4	+ 8
PARIS (pop. 21,643)			
Retail sales		+ 15	— 8
Apparel stores		— 16	**
Automotive stores		+ 7	— 9
Postal receipts	$ 14,605	— 2	+ 5
Building permits, less federal contracts	$ 125,002	+ 44	+ 72
Bank debits (thousands)	$ 13,056	**	— 5
End-of-month deposits (thousands)‡	$ 14,614	+ 2	+ 2
Annual rate of deposit turnover	10.8	— 1	— 5
PASADENA (pop. 22,483)			
Postal receipts	$ 23,584	— 12	+ 19
Building permits, less federal contracts	$ 1,493,508	+ 73	**
Employment (area)	420,500	**	+ 4
Manufacturing employment (area)	90,500	— 1	+ 2
Percent unemployed (area)	3.4	+ 3	— 6
PHARR (pop. 8,690)			
Postal receipts	$ 4,391	— 4	+ 8
Building permits, less federal contracts	$ 32,015	— 20	— 5
Bank debits (thousands)	$ 3,735	+ 1	— 4
End-of-month deposits (thousands)‡	$ 3,480	— 6	— 7
Annual rate of deposit turnover	12.5	+ 2	**
PLAINVIEW (pop. 14,044)			
Retail sales		— 13	+ 2
Apparel stores		— 6	**
Automotive stores		— 15	+ 18
Postal receipts	$ 12,093	— 5	+ 1
Building permits, less federal contracts	$ 86,000	— 81	— 75
Bank debits (thousands)	$ 18,657	.....	.....
End-of-month deposits (thousands)‡	$ 22,154	.....	.....
PORT ARTHUR (pop. 82,150[u])			
Retail sales		+ 6	+ 6
Apparel stores		**	+ 1
Automotive stores		— 2	+ 14
Eating and drinking places		+ 3	+ 40
Food stores		+ 6	+ 8
Furniture and household appliance stores		+ 25	— 16
General merchandise stores		+ 2	+ 4
Lumber, building material, and hardware stores		+ 34	**
Postal receipts	$ 37,566	+ 3	+ 9
Building permits, less federal contracts	$ 666,170	— 22	+ 71
Bank debits (thousands)	$ 63,281	+ 4	+ 10
End-of-month deposits (thousands)‡	$ 43,729	**	+ 2
Annual rate of deposit turnover	17.4	+ 4	+ 11
Employment (area)	86,000	+ 1	+ 3
Manufacturing employment (area)	30,050	+ 3	+ 6
Percent unemployed (area)	5.0	— 6	— 15
ROCKDALE (pop. 4,550[r])			
Postal receipts	$ 3,056	— 16	— 4
Building permits, less federal contracts	$ 25,500	— 73	— 56
Bank debits (thousands)	$ 4,074	+ 22	+ 6
End-of-month deposits (thousands)‡	$ 5,426	+ 3	+ 6
Annual rate of deposit turnover	9.1	+ 21	+ 1
SAN ANGELO (pop. 62,359[r])			
Retail sales		+ 5	**
Lumber, building material, and hardware stores		+ 2	— 9
Postal receipts	$ 59,727	+ 12	+ 19
Building permits, less federal contracts	$ 2,113,978	+415	+269
Bank debits (thousands)	$ 46,392	**	+ 2
End-of-month deposits (thousands)‡	$ 44,234	— 2	**
Annual rate of deposit turnover	12.5	+ 2	+ 2
Employment	22,900	**	— 1
Manufacturing employment	2,805	+ 1	— 7
Percent unemployed	4.6	— 4	+ 7
SAN ANTONIO (pop. 449,521[u])			
Retail sales		+ 8	— 6
Apparel stores		— 5	+ 2
Automotive stores		+ 12	— 2
Drug stores		+ 6	+ 5
Eating and drinking places		+ 1	— 16
Food stores		**	— 9
Furniture and household appliance stores		+ 39	**
Gasoline and service stations		+ 7	— 3
General merchandise stores		— 14	+ 1
Lumber, building material, and hardware stores		+ 11	— 4
Postal receipts	$ 506,163	— 12	+ 3
Building permits, less federal contracts	$ 6,118,942	+ 71	+ 75
Bank debits (thousands)	$ 532,394	+ 7	+ 4
End-of-month deposits (thousands)‡	$ 329,119	— 4	— 3
Annual rate of deposit turnover	19.1	+ 7	+ 7
Employment	186,200	**	+ 1
Manufacturing employment	23,420	+ 1	+ 3
Percent unemployed	3.9	— 13	+ 15
SAN MARCOS (pop. 9,980)			
Retail sales		— 1	— 4
Apparel stores		— 22	— 4
Furniture and household appliance stores		+ 1	— 1
Postal receipts	$ 7,826	— 10	— 22
Building permits, less federal contracts	$ 144,060	+106	— 3
Bank debits (thousands)	$ 6,490	.....	— 2
End-of-month deposits (thousands)‡	$ 7,728	.....	— 13
SEGUIN (pop. 14,000[r])			
Postal receipts	$ 7,718	— 7	+ 6
Building permits, less federal contracts	$ 49,145	+ 7	+ 65
Bank debits (thousands)	$ 4,226	— 40	— 44
End-of-month deposits (thousands)‡	$ 14,834	**	— 3
Annual rate of deposit turnover	3.4	— 42	— 42
SHERMAN (pop. 25,855[r])			
Postal receipts	$ 20,788	— 15	— 33
Building permits, less federal contracts	$ 100,004	— 59	— 93
Bank debits (thousands)	$ 22,402	+ 3	— 11
End-of-month deposits (thousands)‡	$ 16,207	— 5	— 3
Annual rate of deposit turnover	16.1	+ 10	— 8
SLATON (pop. 5,036)			
Building permits, less federal contracts	$ 8,000	+ 95	— 5
Bank debits (thousands)	$ 2,198	— 3	+ 6
End-of-month deposits (thousands)‡	$ 3,718	— 7	+ 6
Employment (area)	44,000	**	+ 1
Manufacturing employment (area)	4,490	**	— 5
Percent unemployed (area)	5.1	— 2	— 2
SNYDER (pop. 14,111[r])			
Postal receipts	$ 9,195	— 12	— 7
Building permits, less federal contracts	$ 277,950	+128	+162
Bank debits (thousands)	$ 13,862	— 19	+ 10
End-of-month deposits (thousands)‡	$ 16,457	+ 14	+ 17
Annual rate of deposit turnover	10.7	— 20	**

For explanation of symbols, see page 23.

City and item	May 1957	Percent change: May 1957 from Apr 1957	Percent change: May 1957 from May 1956
SULPHUR SPRINGS (pop. 9,890r)			
Retail sales			
Automotive stores		+ 22	— 9
Postal receipts	$ 6,178	— 2	+ 26
Building permits, less federal contracts	$ 32,275	— 54	— 77
Bank debits (thousands)	$ 8,702		+ 5
End-of-month deposits (thousands)‡	$ 11,273		+ 8
TAYLOR (pop. 9,071)			
Retail sales			
Automotive stores		— 5	+ 32
Postal receipts	$ 7,300	+ 3	+ 1
Building permits, less federal contracts	$ 112,270	+415	+152
Bank debits (thousands)	$ 6,327	+ 11	+ 6
End-of-month deposits (thousands)‡	$ 8,842	**	— 16
Annual rate of deposit turnover	7.7	+ 12	+ 26
TEMPLE (pop. 33,912r)			
Retail sales		+ 9	— 3
Apparel stores		— 6	— 8
Food stores		+ 8	+ 8
Furniture and household appliance stores		+ 27	— 10
Lumber, building material, and hardware stores		+ 28	**
Postal receipts	$ 21,532	— 16	— 2
Building permits, less federal contracts	$ 166,466	+ 52	— 62
Bank debits (thousands)	$ 16,994	+ 6	— 7
End-of-month deposits (thousands)‡	$ 9,842	**	— 16
Annual rate of deposit turnover	7.7	+ 7	— 7
TEXARKANA (pop. 31,051)			
Retail sales§		+ 13	— 2
Apparel stores§		— 6	— 11
Automotive stores§		+ 30	+ 6
Postal receipts§	$ 46,375	+ 2	+ 3
Building permits, less federal contracts	$ 119,091	+ 5	— 61
Bank debits (thousands)§	$ 29,476	+ 3	— 7
End-of-month deposits (thousands)‡	$ 15,440	— 1	— 8
Annual rate of deposit turnover	14.6	+ 1	+ 5
Employment§	31,850	— 1	— 5
Manufacturing employment§	4,615	— 1	— 13
Percent unemployed§	10.2	— 11	+ 26
TEXAS CITY (pop. 23,000r)			
Retail sales			
Lumber, building material, and hardware stores		**	+ 6
Postal receipts	$ 13,486	— 17	— 6
Building permits, less federal contracts	$ 463,925	— 66	+ 51
Bank debits (thousands)	$ 26,383	+ 1	— 12
End-of-month deposits (thousands)‡	$ 25,642	— 6	— 21
Annual rate of deposit turnover	12.0		+ 5
Employment (area)	49,100	+ 1	+ 5
Manufacturing employment (area)	11,570	— 1	+ 3
Percent unemployed (area)	5.5	— 5	— 5
TYLER (pop. 49,443)			
Retail sales			
Automotive stores		+ 35	+ 38
Postal receipts	$ 62,227	— 30	— 11
Building permits, less federal contracts	$ 763,185	— 10	— 31
Bank debits (thousands)	$ 83,728	+ 4	+ 11
End-of-month deposits (thousands)‡	$ 60,799	— 6	+ 6
Annual rate of deposit turnover	16.1	+ 4	+ 3
VERNON (pop. 12,651)			
Postal receipts	$ 7,448	— 18	— 11
Building permits, less federal contracts	$ 22,000	+104	— 37
Bank debits (thousands)	$ 10,602	+ 11	+ 10
End-of-month deposits (thousands)‡	$ 17,916	— 4	— 5
Annual rate of deposit turnover	7.0	+ 13	+ 13
VICTORIA (pop. 49,164r)			
Retail sales		**	— 4
Automotive stores		— 3	+ 2
Food stores		+ 5	— 3
Furniture and household appliance stores		+ 1	— 11
Gasoline and service stations		+ 15	— 5
Lumber, building material, and hardware stores		+ 4	— 16
Postal receipts	$ 25,709	— 2	+ 12
Building permits, less federal contracts	$ 787,613	+ 79	+ 38
WACO (pop. 101,824r)			
Retail sales		+ 13	+ 3
Apparel stores		— 2	+ 5
Automotive stores		+ 8	+ 16
Furniture and household appliance stores		+ 10	— 2
General merchandise stores		+ 24	— 4
Postal receipts	$ 121,665	+ 7	+ 3
Building permits, less federal contracts	$ 1,439,806	+ 76	+ 29
Bank debits (thousands)	$ 91,267	+ 4	+ 1
End-of-month deposits (thousands)‡	$ 63,678	**	— 1
Annual rate of deposit turnover	17.2	+ 4	+ 4
Employment	48,000	+ 1	+ 2
Manufacturing employment	10,115	+ 4	+ 13
Percent unemployed	4.0	— 5	— 15
WEATHERFORD (pop. 8,093)			
Postal receipts	$ 7,081	— 3	+ 9
Building permits, less federal contracts	$ 96,000	+347	+508
Bank debits (thousands)	$ 10,344	+ 27	+ 2
End-of-month deposits (thousands)‡	$ 11,918	— 2	— 3
Annual rate of deposit turnover	10.3		+ 3
WICHITA FALLS (pop. 103,152r)			
Retail sales		+ 13	— 7
Automotive stores		+ 4	— 14
Furniture and household appliance stores		+ 42	+ 5
Lumber, building material, and hardware stores		+ 2	— 18
Postal receipts	$ 81,938	**	— 6
Building permits, less federal contracts	$ 772,724	— 73	— 32
Bank debits (thousands)	$ 100,569	— 2	— 2
End-of-month deposits (thousands)‡	$ 104,514	— 1	+ 1
Annual rate of deposit turnover	11.5	— 4	— 1
Employment	37,950	— 4	+ 1
Manufacturing employment	3,635	**	+ 3
Percent unemployed	4.0	+ 5	— 2

‡Money on deposit at the end of the month, but excludes deposits to the credit of banks.

¶Reported by the Bureau of Business and Economic Research, University of Houston, for Harris County.

§Figures include Texarkana, Arkansas (pop. 19,733) and Texarkana, Texas (pop. 31,051).

rRevised for use by the Texas Highway Department.

u1950 Urbanized Census.

**Change is less than one-half of one percent.

All postal receipts are for April 5–May 3, 1957.

BAROMETERS OF TEXAS BUSINESS

	May 1957	Apr 1957	Mar 1957	Year-to-date average 1957	Average month 1956
GENERAL BUSINESS ACTIVITY					
†Texas business activity, index	208	201	190	200	190
Miscellaneous freight carloadings in SW District, index	83	79	84	85	93
Ordinary life insurance sales, index	341	325	328	338	285
Wholesale prices in U. S., unadjusted index	117.1	117.2	116.9	117.0	114.3
‡Consumers' prices in Houston, unadjusted index	121.1	.....	.....	120.8	117.8
Consumers' prices in U. S., unadjusted index	119.6	119.3	118.9	118.9	116.2
Income payments to individuals in U. S. (billions, at seasonally adjusted annual rate)	$ 340.4*	$ 339.3	$ 338.1	$ 337.9	$ 325.3
Business failures (number)	53	40	.....	.....	27
TRADE					
Total retail sales, index	185*	177*	175	179	165
Durable-goods stores	159*	155*	155	157	146
Nondurable-goods stores	198*	189*	185	191	174
Ratio of credit sales to net sales in department and apparel stores	66.6*	66.2*	69.4*	67.1	66.5
Ratio of collections to outstandings in department and apparel stores	37.1*	35.3*	38.4*	38.0	36.2
PRODUCTION					
Total electric power consumption, index	322*	328*	310*	323	312
Industrial electric power consumption, index	349*	355*	331*	352	329
Crude oil production, index	142*	145*	149	143	132
Crude oil runs to stills, index	146	155	153	151	148
Gasoline consumption, index	.....	164	165	172	174
Natural gas production, index	.....	189	182	184	184
Industrial production in U. S., index	143	144	145	145	143
Southern pine production, index	.....	106	104	105	118
Cottonseed crushed, index	132	131	111	121	124
Construction authorized, index	194	180	166	187	179
Residential building	191	180	153	185	167
Nonresidential building	207	190	178	197	201
AGRICULTURE					
Farm cash income, unadjusted index	55	51	51	58	91
Prices received by farmers, unadjusted index, 1909–14=100	268	264	262	263	250
Prices paid by farmers in U. S., unadjusted index, 1909–14=100	296	296	295	295	286
Ratio of Texas farm prices received to U. S. prices paid by farmers	91	89	89	90	88
FINANCE					
Bank debits, index	243	236	222	233	217
Bank debits, U.S., index	205	199	190	199	187
Reporting member banks, Dallas Reserve District:					
§Loans (millions)	$ 2,387	$ 2,409	$ 2,386	$ 2,396	$ 2,437
§Loans and investments (millions)	$ 3,954	$ 3,871	$ 3,855	$ 3,849	$ 3,817
Adjusted demand deposits (millions)	$ 2,633	$ 2,627	$ 2,665	$ 2,645	$ 2,643
Revenue receipts of the State Comptroller (thousands)	$109,150	$ 92,723	$ 86,936	$ 85,568	$ 77,598
Federal Internal Revenue collections (thousands)	$333,186	$239,219	$243,032	$267,763	$207,760
LABOR					
Total nonagricultural employment (thousands)	2,459.7	2,456.4	2,445.6	2,446.1	2,412.2
Total manufacturing employment (thousands)	485.6	484.3	484.5	483.8	471.9
Durable-goods employment (thousands)	242.2	241.3	240.1	240.1	228.6
Nondurable-goods employment (thousands)	243.4	243.0	244.4	243.7	243.3
Total nonagricultural labor force in 17 labor market areas (thousands)	1,857.8	1,863.1	1,862.9	1,861.8	1,822.2
Employment in 17 labor market areas (thousands)	1,784.0	1,785.8	1,779.8	1,781.7	1,749.4
Manufacturing employment in 17 labor market areas (thousands)	373.5	381.1	380.3	378.3	364.5
Total unemployment in 17 labor market areas (thousands)	73.8	76.8	82.9	79.8	71.6
Percent of labor force unemployed in 17 labor market areas	4.0	4.1	4.4	4.3	3.9

All figures are for Texas unless otherwise indicated. All indexes are based on the average months for 1947–49, except where indicated; all are adjusted for seasonal variation, except annual indexes.

Employment estimates have been adjusted to first quarter 1956 benchmarks.

* Preliminary.

† Based on bank debits in 20 cities, adjusted for price level.

‡ Index computed for February, May, August, and November only.

§ Exclusive of loans to banks after deduction of valuation reserves.